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# THE FUTURE ROLE OF RAIL

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ONTARIO TASK FORCE ON PROVINCIAL RAIL POLICY

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FINAL REPORT—JANUARY, 1981

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**ONTARIO TASK FORCE**

**ON PROVINCIAL RAIL POLICY**

# **THE FUTURE ROLE OF RAIL**

**FINAL REPORT**

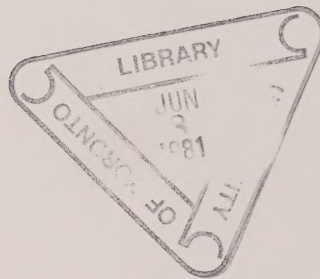
**JANUARY, 1981**



Ontario

**MARGARET SCRIVENER, M.P.P.  
CHAIRMAN**





The Final Report of the Ontario Task Force on Provincial Rail Policy was preceded by the Interim Report contained in five volumes:

Public Submissions

Working Papers,  
Volume I  
Volume II  
Volume III

The Future Role of Rail,  
A Policy Position

The entire Report has been deposited with Legislative and Reference Libraries. Also, it is available for purchase at the Ontario Government Book Store, 880 Bay Street, Toronto, Ontario M5S 1Z8.

Parliament Buildings,  
Toronto,  
January, 1981.

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Ontario

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## MEMBERS OF THE ONTARIO TASK FORCE ON PROVINCIAL RAIL POLICY

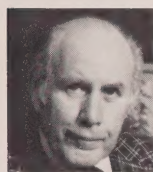
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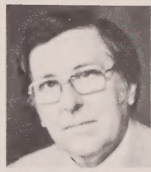
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The Honourable James W. Snow,  
Minister of Transportation and Communications,  
Ferguson Block, 3rd Floor,  
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Dear Mr. Minister:

On behalf of the Members of the Task Force,  
I have the honour to present to you this Final Report  
of the Ontario Task Force on Provincial Rail Policy.

The work over the past 12 months has been a  
gratifying challenge, and I acknowledge with thanks the  
time and effort contributed by the Members and the staff.

With implementation of the recommendations contained  
in this report, we look forward to the revitalization of  
rail as a major component of an integrated transportation  
system for the benefit of all of the people of the Province.

Respectfully submitted,

Margaret Scrivener (Mrs.),  
CHAIRMAN.



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## THE CHAIRMAN'S STATEMENT— AN OVERVIEW

After a year of intense study of the state of the railway system in our province, the Task Force believes that rail has a challenging and promising future.

We also believe that rail can move into the Twenty-first Century as a rejuvenated, strategically important sector within Ontario's and Canada's transportation systems.

Rail will not only survive, it will become more effective, more diversified, even more energy-efficient. It will become a transportation system in which we can all take pride.

The Ontario Task Force on Provincial Rail Policy was created because of a number of concerns. One major concern was the need for a better appreciation of the potential for rail within the Province's transportation requirements, looking toward the 1980's and 1990's and into the next century. In addition, there were concerns about the economy, the urgency to conserve our energy supplies, the need to maintain and enhance the standard of living and the quality of life which the people of Ontario enjoy.

One cannot examine our railway systems without being impressed by many things. For example, our Canadian rail freight service is considerably more efficient than that of the United States. Also, a good start has been made to improve our passenger services. The GO Transit commuter rail system in the Metropolitan Toronto area is the envy of North America. And, our new streetcars and intermediate capacity transit are more advanced forms of urban rail technology than can be found anywhere else in the world.

For our rail system to become a more effective component in meeting the overall transportation needs of Ontario and Canada, a great deal more must be done. By building on the foundation now in place and capitalizing upon the sympathetic public interest and commitment which we have identified, we are convinced the Province can play a strong role in the revitalization of rail and assist it to move into the next century as a superior transportation resource.

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Looking ahead to the requirements of the next thirty years, Mem-

bers of the Task Force have evaluated the railways in terms of services provided, equipment used and system development. They recognized that the economic and energy pressures on transportation are so great that changes are essential in terms of how railways move people and goods.

In an era of rising energy costs, rail is the obvious answer to many transportation problems. Of all our transportation modes, only rail need not be dependent on petroleum-based or liquid fuels. And it *is* efficient. In fact, rail is the most economic year-round mode for shipping bulk commodities.

The Task Force has a sense of urgency about electrification of the Province's principal lines and is of the opinion that by the Year 2000, electrification of our railways should be well advanced, with hydrogen as a potential complementary fuel.

Because both passenger and freight trains must operate to provide essential basic services in a period when time is becoming an increasingly valuable factor, we see a virtual rebuilding of the roadbed and track system to enable the use of faster trains for both passengers and freight.

And, we see a partnership being developed in the provision of rail services in Ontario between the federal government, the railways and the Government of Ontario with the municipalities taking a much greater interest than they have in the past.

We see our railway future to include:

- A stronger, more forceful role being undertaken by the Province;
- Passenger service coming back into its own, with a new generation of high-speed trains having priority over freight;
- New ultra-modern passenger trains being used in the Windsor-Quebec City Corridor on an electrified system;
- A redesigned transcontinental passenger service, with new equipment and a new mandate;
- A mix of types of rail passenger services, including transcontinental, intercity, transborder, regional and local, commuter, specialized, luxury and charter services to resort areas in Ontario and Canada;
- Lighter, faster freight trains sharing greatly-improved roadbeds;
- New-generation freight cars designed to serve the specific needs of Ontario manufacturers, resource and aggregate producers and the agricultural industry;
- Appropriately located multi-modal terminals for both passenger and freight services;
- New routing in the Southern Ontario rail network to by-pass urban areas;
- Potential new commuter rail systems serving cities such as Hamilton, London and Ottawa-Hull;
- Ontario and Canada becoming a centre of technology and manufacturing of advanced rail concepts, services and equipment.

We see the necessity to articulate a rail transportation policy for Ontario and Canada, which identifies the importance of rail and its future in relation to other transport modes.



When the Premier, the Honourable William G. Davis, asked the Task Force to examine the role of the railways within our Province, we were not in the position of entering a new area of policy for the Government of Ontario—quite the contrary. The Province has played an active role in the development of our rail systems virtually from the time the first locomotive engine rolled along a track in this country. As was described in our Interim Report, *“The Future Role of Rail—A Policy Position”*, the Province of Ontario has had a long and continuing history of both policy development and direct involvement with the railway industry. Our Task Force is the most recent development and comes at an important point in the affairs of both the Province and the rail industry.

Ontario's direct involvement with railways began in the middle of the last century, and continued from financial support to budding rail developers through the construction of its own Ontario Northland Railway to the inauguration of GO Transit.

Rail policy conflicts, such as those encountered in the establishment and operation of GO Transit, federal efforts to rationalize transcontinental passenger service, and branch line abandonments, and objectives such as grade-crossing protection and safety, have produced a convergence of contemporary federal and provincial interests in the rail transportation system.

Increasingly, Ontario has found itself in the position of reacting to specific issues without having developed a broad, long-term policy framework for rail.

And the public was concerned, as evidenced by the immediate flow of letters and telephone calls following the announcement of the Task Force.

In order to obtain the broadest public input, we invited submissions on any aspect of the movement of people and goods by railways within the province. We also asked the municipalities to submit proposals relating both to their transportation requirements and the question of abandonments.

We sponsored a well-attended Seminar on Rail Policy in May, 1980, as a forum for the exchange of viewpoints on rail policy and the future of rail transportation in Ontario.

The Task Force met weekly for a year, hearing expert witnesses from the railways, competing transportation modes, various levels of governments, and the academic and research communities and consumer groups.

Although time constraints prohibited extensive field investigations, Task Force Members held meetings with State officials in New York, the New England States, Michigan and Ohio to discuss their involvement in meeting state rail transportation priorities. A trip was also made by Task Force representatives to Europe to examine the role of various European governments in their rail systems and services.

The Task Force was honoured by an invitation from the American Association for the Advancement of Science to present a symposium on commuter rail and urban transit technology at the annual conference held in Toronto in January, 1981.

To further broaden the basis of our information, thirty individual ‘working papers’ were commissioned from specialists and researchers in various government departments and from consultants. These

papers form a valuable resource document and were published as part of the Interim Report.

This method of study gave a solid, no-nonsense appreciation of the railway system now serving Ontario, how it came into being, how it could be improved and its potential to satisfy the future transportation needs of this Province.

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Task Force Members found the study experience to be enormously stimulating, an opportunity to help shape public policy and transportation services in an extremely important area of the lives of the people of Ontario.

Stimulating and important as it has been, there were several lasting impressions I received as Chairman of the Task Force. One relates to the whole area of 'attitude'.

So many people came forward to discuss positively the future of the railways, both in terms of passenger and freight service, you had to wonder why there seemed to be problems. When we met with railway management, they had an obvious enthusiasm for their jobs. Yet, something was missing.

There was concurrence among the railway people about the broad role of the railway transportation systems. There was a management focus on freight, but sometimes only certain types of freight from specific sources to specific markets. There was concern by shippers as to whether their interests were understood.

The problems which have affected rail in recent years appear to have resulted in a certain 'sagging of the shoulders' about the future of passenger services. The positive attitude which we found in Europe has been a missing ingredient in Canada. Hopefully, evidence of a passenger rail turnaround which we observe in VIA Rail will result in a renewed pride in service and a return to a clear desire to see passenger rail service succeed. Part of the turnaround has to be a restoration of the pride in service that enthusiastic employees can bring.

A second impression is that the Government of Ontario has had a lengthy, continuous and constructive role in the development of railway services in this Province. But it has not emphasized adequately to the people of Ontario the achievements of its policy initiatives and its operating activities, such as Ontario Northland and GO Transit. I think it is natural that governments and people alike take for granted that which is serving them well.

A third impression is that the creation of the Task Force was exceptionally timely. It quickly affirmed the importance of having an independent review of rail services, focused on the needs of the people of Ontario over the next several decades.

The climate is there, and it is conducive to the establishment of both a new national and a new provincial transportation policy in which rail plays a more significant and integral part. We are optimistic that this will come about and that our study and report will be an effective catalyst in achieving these policies.

Margaret Scrivener  
CHAIRMAN.







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## THE CHALLENGE TO THE TASK FORCE

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Rail transportation has a vital role to play in the continuing development of this province.

### **An Introduction to the Study**

Railways are an essential component of Ontario's transportation system. This conclusion was firmly established in the Interim Report of the Ontario Task Force on Provincial Rail Policy.

A year of intensive investigation, deliberation and consideration of the multitude of factors and issues related to the railways operating in this Province is summarized in this Final Report of the Task Force. The recommendations will help shape a powerful future for rail in Ontario during the remainder of this Century and well into the next. They will affect all three levels of government, the railway companies and the users of rail services.

The Terms of Reference, established in January, 1980, by Premier William Davis, stated that there is:

"...a need to develop a provincial perspective to rail transportation to ensure that the Government of Ontario implement in the 1980's a transportation plan which will provide for the needs of the Province".

The Premier instructed that such a plan should result in an integrated transportation system which is energy efficient and meets the need for movement of people and goods as we prepare to enter the Twenty-first Century.

In its Interim Report, "The Future Role of Rail – a Policy Position", published November 1, 1980, the Task Force concluded that:

"the time has come for governments at all levels to face railway-related issues, to look beyond today or tomorrow and to develop a rail transportation policy that gives the people of Ontario and Canada the best value for their money".

The Task Force is pleased by the degree of comment, discussion and debate which flowed from the Interim Report and its background papers. It was encouraged by the interest of other provinces and the federal government in its work, since this study was the first of its kind

ever undertaken by a provincial government in Canada. The discussion assisted Task Force Members to refine issues. Also, it heightened the awareness of the public and others to the importance of rail in our daily lives and our future.

It was pointed out in the Interim Report that “everybody agrees that Ontario needs an efficient transportation system where each mode, including railways, performs the functions best suited to its capabilities”. But, as the final chapter noted, “the consensus ends when it comes to translating the theory into concrete measures.” That is the task of this Final Report.

### **The Challenge**

The overall challenge to the Task Force was to develop a framework for a railway policy which will preserve and enhance the interests of the people of Ontario in an environment of petroleum shortages threatening both the economy of the province and our lifestyles and standards of living.

Because of the need to conserve our petroleum supplies, it is essential that an integrated transportation system be developed which meets the demands for transportation of people and goods while minimizing the amount of energy consumed. Since railways can be the most energy efficient mode of transportation, it is important to encourage and promote a higher utilization of rail transportation at the expense of less energy efficient modes.

Domestic and world economic conditions have forced people and governments to re-evaluate the way they are using their existing assets and resources. In the past, railways have been largely ignored as a transportation resource by the Province as it continued to add to the highway infrastructure. Ontario can no longer afford to duplicate services or to allow existing transportation infrastructure to be under-utilized. Rail has a potential to accommodate more of the transportation demand than it does at present. Policies must be developed to ensure that these potentials are realized. At the same time, the Task Force is adamant that these policies should be aimed at maintaining or enhancing the quality of life for the people of Ontario.

### **Identifying the Provincial Role**

A great number of railway issues and concerns were discussed in the Interim Report of the Task Force. Before attempting to resolve those issues and arrive at recommended solutions, the Task Force had to stand back and decide on the fundamental directions and roles the Province should be taking if it is to meet the greater challenge.

As a result of the energy concerns and the requirement to make the most efficient use of our transportation resources, the Task Force has concluded that:

- The Province should encourage the use of rail and bus for passenger transportation, and rail and marine for freight transportation, where appropriate, since these can be the most energy efficient modes.
- The Province, in addition to actively encouraging a shift to the more energy efficient modes, should explore all methods for reducing the transportation usage of petroleum-based fuels.

In order to meet these objectives and the greater challenge, the Province has certain roles it can play in influencing the direction of rail transport. These recommended roles are:

- The Province should work toward safeguarding the public interest by ensuring the continuing availability of vital rail services.
- The Province should act as a catalyst to encourage and help implement new rail services or improvements that are in the public interest and could not be implemented by the private sector alone; services in the interest of reducing environmental damage or of conserving energy are in this category.
- The Province should serve as a mediator to facilitate cooperation and coordination between rail and the other modes of transport in

Task Force objectives

Basic conclusions

Provincial roles

order to ensure development of the most effective *total* transportation system.

- The Province should act as a spokesman and intervene on behalf of the users and operators of rail services and assist them in their negotiations in order to protect the public interest.
- The Province should ensure that service levels to the public are maintained and not prejudiced as a result of reluctance by governments or by the railways to expand facilities or because of a system that indirectly rewards poor service.
- The Province should take a direct interest in local, regional and commuter services within its borders and a strong supporting interest in interprovincial or international services.
- The Province should help to protect the quality of life by minimizing negative community impact and striving to ensure safe rail operations.
- The Province should provide financial assistance for the construction of railway plant or purchasing of equipment where broader provincial public objectives are served by such assistance.

These roles express the concern the Government of Ontario must have for the needs of its people, both as individual users of rail service and as corporate members of the business and industrial community within the Province. They describe the deep involvement the Task Force believes the Province must have as an owner-operator and mediator.

### Tomorrow and Beyond

In considering the overall transportation system in Canada, the Task Force concluded that rail services – freight, passenger and commuter – are vital, strategic necessities for this country and this Province. Every effort is required to ensure that they are enhanced and not allowed to languish.

If we are to achieve what is possible for our railway systems, the Task Force considers there is a need for creation of an overall national transportation policy by the federal government, stressing the importance of rail transportation. Within this policy, it is essential to mesh a national rail strategy.

Such a transportation policy must declare the need to return full authority for railway policy-making to the Minister of Transport.

The Task Force also sees the need for a national energy strategy which supports rail in its appropriate roles and assists in modal shifts. This policy would also emphasize research and development related to energy-efficient railway equipment, appropriate pricing of petroleum fuels, and the investigation and application of new technology, including electrification and the potential long-term future of hydrogen and other energy sources.

Within the Ontario Government, the Task Force foresees the need for the development of a strong, focussed Ministerial responsibility for provincial rail policy, and the creation of an appropriate organizational structure with the stature and financial capability to further the Province's interest.

It was clear to the Task Force that the provincial and federal governments need to work together in developing an integrated rail transportation plan for Ontario. Such a plan would embrace a concentrated program to upgrade the entire railway system and service.

The Task Force concluded that a primary focus of policy and developmental concern should be with passenger services. It is this area which has suffered the greatest deterioration and where the greatest potential lies if we are to regain a balance in our transportation systems.

The Province should increase its involvement in and give specific attention to regional and local rail services within Ontario. Particular attention is needed for passenger services in Northern Ontario and the Windsor-Quebec City Corridor.

The need for a national transportation policy

Passenger service – a primary focus



A vital role for Rail

The Task Force was equally interested in freight service, and is of the opinion that there are a number of areas requiring improvements. These will be discussed in succeeding chapters.

Where appropriate and effective, the Province should undertake a financial role to achieve its objectives.

The Province should also be a strong advocate of improvements designed to make our rail systems safer and less intrusive within our communities.

The agenda of activity for both the federal and Ontario governments, their agencies, the railways and the business and industrial sectors of this Province is long. But the Task Force is convinced that Canadians thrive on such challenges.

In all its deliberations, the Task Force was mindful of the instructions of the Premier not to constrain its examination by considerations of current jurisdictional responsibilities. Who does 'what' is less important than ensuring improved rail service to the public. The Task Force realized that, in developing plans for the future of rail, the public interest must be kept paramount.

In reaching its conclusions and recommendations, the Task Force believes that rail has a vitally important role to play in the development of this Province, that it is indispensable to a balanced, efficient transportation system, and that it can operate within the free-enterprise economy and still accomplish the social and economic objectives of the Government of Ontario.

The recommendations, and the encouragement of a strong provincial role in particular, should not be taken as a rebuke to the federal government or the railways. Rather, there is a recognition that coherent provincial intervention is needed to assist the federal government and the railways, and that this is the moment to drive forward with a rail policy that is sharp, clear and geared to deliver the kind of rail service required within the next thirty years.

CONCLUSIONS

- |     |  |
|-----|--|
| 1-1 | The Province should encourage the use of rail and bus for passenger transportation, and rail and marine for freight transportation, where appropriate, since these can be the most energy efficient modes. |
| 1-2 | The Province, in addition to actively encouraging a shift to the more energy efficient modes, should explore all methods for reducing the transportation usage of petroleum based fuels.                   |

RECOMMENDED ROLES

- |     |   |
|-----|---|
| 1-3 | The Province should work toward safeguarding the public interest by ensuring the continuing availability of vital rail services.  |
| 1-4 | The Province should act as a catalyst to encourage and help implement new rail services or improvements that are in the public interest and could not be implemented by the private sector alone: services in the interest of reducing environmental disruption or of conserving energy are in this category. |
| 1-5 | The Province should serve as a mediator to facilitate co operation and coordination between rail and the other modes of transport in order to ensure development of the most effective <i>total</i> transportation system.  |
| 1-6 | The Province should act as a spokesman and intervene on behalf of the users and operators of rail services and assist them in their negotiations in order to protect the public interest.   |
| 1-7 | The Province should ensure that service levels to the public are maintained and not prejudiced as a result of reluctance by governments or by the railways to expand facilities or because of a system that indirectly rewards poor service.  |
| 1-8 | The Province should take a direct interest in local, regional and commuter services within its borders and a strong supporting interest in interprovincial or international services.   |
| 1-9 | The Province should help to protect the quality of life by minimizing   |



1-10

negative community impact and striving to ensure safe rail operations. The Province should provide financial assistance for the construction of railway plant or purchasing of equipment where broader provincial public objectives are served by such assistance.



## FUNDAMENTALS OF THE SYSTEM



Improved use of the existing railway infrastructure is basic to future development and efficiency of service.

### National Transportation Act objectives

### Railway profit objectives

### The Railways—A Responsibility As Well As A Business

The railways are in business to provide service. Historically, their financial underpinning by government has been to assure that purpose.

This premise was basic to the Task Force's consideration of the role of the railways in Ontario.

In its Interim Report, the Task Force concluded that railways are "not a business like any other". They provide a service which is "essential and, in some ways, unique". They serve industries whose transportation costs must be reasonable if they are to remain competitive, and they operate on rights-of-way which were "given to them by the people of Canada on the understanding that they would treat them not as their private property, but as a trust."

The National Transportation Act of 1967 declared that "an economic, efficient and adequate transportation system...at the lowest total cost is essential to protect the interest of the users of transportation..." and that these objectives were most likely to be achieved when regulations are not of such a nature as to restrict competition between modes.

Basically the Act advocates commercial freedom to the extent that this freedom does not jeopardize the public interest.

The Task Force endorses the spirit of the Act, but questions whether the apparent intent of a balance between profitability and public service obligations is being achieved.

To the railways and the federal government, profitability may have become paramount and overshadowed the public service obligations.

Whereas Canadian Pacific has always been operated with the profit objectives of a private enterprise, it is only in recent years that the policies of the federal government and Canadian National have made it clear that CN will also be run on the same basis as any private company.

The railways appear to regard passenger services, subsidized by

the government, as a “necessary evil” which must not be allowed to interfere in any substantial way with the profit-making aspect of their operation.

Compromises to accommodate an improved passenger service are not willingly entertained. Time-sensitive passenger trains are delayed by slower or shunting freight trains. The modern Canadian railway infrastructure has evolved around the specialized needs of long heavy freight trains. No design or operation modifications are voluntarily considered in order to allow the safe accommodation of higher speed passenger trains.

Even within the freight system, there appears to be a tendency to reduce the quality and quantity of service to smaller shippers, with a greater concentration on the more profitable business from fewer but larger shippers.

The Task Force believes that railways should be operated as efficiently as possible, but not to the detriment of public service or common carrier obligations. There must be recognition by the railways and by the federal government that profitability can co-exist with service in the public interest.

### Is Lighter Better?

One of the current dilemmas in Canadian railway track usage is the conflict between the weight of freight trains and the need for increased speed to achieve successful passenger service. This problem has arisen primarily because of cost factors but also because of the context in which the Canadian railways have been operating.

The basic problem is that track subjected to the frequent passage of heavy freight axle loads is soon rendered unsuitable for fast, light and comfortable passenger trains. The heavier trains cause rapid track wear and loss of level and line. They increase the incidence of track damage which could lead to derailments. Further, in order to relieve excessive loading on the inner rail at low freight train speeds, the super-elevation of many curves has had to be flattened.

Passenger trains, running over the same track, are not only subject to the shocks and vibration that the damage and wear by freight produces, and the resultant passenger discomfort, but also must slow to ‘freight’ speeds to negotiate curves that have been flattened for the slower moving freight trains.

Heavy freight cars are the result of a drive for greater carrying capacity and higher efficiency. Modern one hundred-ton cars impose axle loads of 33 tons. In comparison, the conventional passenger coach imposes a load of less than 20 tons per axle.

High capacity cars and long trains are responses to the North American railway operating environment of great distances traversed over single, untended track and utilizing a mode of power – multiple diesel units under unified control – that is exceptionally effective at moving large trains. As well, escalating wage scales put pressure on the railways to increase employee productivity. Heavier, longer trains operated by the same number of personnel is one way to accomplish this objective.

The loser in this drive for greater productivity has been the passenger train, which is faced with track restricted in speed and degraded in surface quality by the passage of repeated heavy loads.

In Europe, high speed passenger trains frequently share tracks with freight trains with little apparent difficulty. This is possible because much shorter freight trains are operated, and both freight cars and locomotives are limited in axle load. Furthermore, priority is given to passenger trains, since punctual arrival and departure times are considered to be crucial to system success.

Wherever in Canada it is in the public interest to run passenger trains, it is important that this conflict between weight and speed be resolved in ways which will not inhibit the passenger train speeds being sought as a matter of public policy. This may require revision of track standards, of track maintenance and repair procedures, and rerouting of heavy freight cars. Where traffic densities warrant it, as in the Windsor-Quebec City Corridor, dedicated passenger track could

Weight versus speed

North American freight operations

Passenger trains in conflict with freight



be the best long-term solution. Meanwhile, with production of Light Rapid Comfortable (LRC) trains due within two years, measures are needed to assure their safe, comfortable operation at speeds up to 125 mph.

Accordingly, the Task Force recommends that a planning standard initially of 125 mph be adopted for designated high speed passenger routes, progressive steps being taken towards this goal in revenue service as equipment permits (see *Passenger* section, Chapter 5).

To protect corridor track for these higher speeds, the Task Force recommends that loaded jumbo freight cars with gross weights of somewhere between 100 to 130 tons (car plus load) should not be hauled over jointed track designated for use by high speed passenger trains, but should be diverted (see *Shared Use*, following).

### Competition In The Railway Business

The theory and practice of competition between railways raises some very real public policy issues. With some qualifications, the National Transportation Act encourages competition between all modes of transport, but does not address the question of competition within the railway mode.

The question of competition versus monopoly has been debated many times during different inquiries into the rail transportation system. But its vital importance today has not diminished. Current federal and provincial policy accepts the philosophical view that competition for its own sake provides advantages to the public. But there has yet to be agreement on what those advantages are within the rail transportation business.

Despite the existence of two major railways in Canada supposedly in competition with each other, the Task Force has concluded that the benefits of this 'competition' are largely illusory, and may not in fact exist.

The present proprietary restrictions on the use of the railway infrastructure are one of the main inhibitors to efficiency and effective competition between railways, and the Task Force sees the resolution of this question as one of fundamental importance.

### Shared Use of Track

Rail is the only primary mode of transportation in which the operators of the service must also build, operate and maintain the basic infrastructure over which the service functions.

This results in the perception on the one hand that railways are in the business of operating a 'railway'. On the other hand, it is argued that operating the rail 'way' is only a means of achieving broad transportation objectives. In other transportation modes, the operators of the service do not operate or control the 'way'. For example, truckers do not build and maintain the highway network and airlines are not responsible for the construction of runways and terminals even though both modes support the infrastructure through user fees and licensing arrangements. Anyone can have access to our waterways and ports by paying appropriate fees. Rail is the only mode which restricts use of the 'way' to the owner-operator, and this results in protection for the companies from competition for customers. Because of this method of exclusive operation of the infrastructure, shipping costs to the users of the system are increased.

The control that ownership of the rail infrastructure provides has produced a situation where shippers are forced to transport their goods over distances which are less than direct.

The most direct rail route between two points often involves using the trackage of more than one railway. Shippers requesting joint rates over this most direct route, in order to obtain the lowest overall rate, are confronted by a CTC position which states that where 'reasonable and practicable' single carrier routes exist, joint tariffs are not required.

For example, Northern Ontario shippers to U.S. markets must pay a rate based upon a circular route through Toronto, rather than on the shorter route via Fort Francis or Sault Ste. Marie.

Even though the railways must operate VIA Rail services on their

Uncertain benefits

Control of the right-of-way

Shippers disadvantaged

lines by Canadian Transport Commission order, they do so with some reluctance. In negotiating changes to freight operations which might favour passenger services, VIA Rail meets with considerable resistance.

A similar difficulty was encountered by the Government of Ontario in negotiations to establish and operate the GO Transit service. Because the rail line needed was owned by CN, that railway had the power to set the conditions of use, or even to refuse access to the rights-of-way.

Railway excursion trains should be able to use trackage of more than one railway, so that they can follow the most scenic routes and reach important tourist and heritage destinations. This is not the case at the present time.

If there is to be an effective, energy-efficient rail transportation system in Ontario and Canada, the question of use of rail rights-of-way needs to be properly resolved. No railway should be permitted to take a position with respect to its lines, which deprives the public of efficient, flexible service.

It is not a question of ownership of the rail lines, but rather a question of who is allowed to use them and under what conditions.

#### Concept of shared usage

The concept of shared track usage, with all railways having interchangeable rights to use the others' lines with an appropriate costing mechanism, has been explored in the past by both the railways and the government. In fact, the federal government promised just such a study in Western Canada at the Western Economic Opportunities Conference held in Calgary in 1973. A report prepared in 1978 by CP Consulting Services Limited and Canalog Logistics Limited concluded that while several operating problems are associated with the concept of joint track usage where the lines of two owning railways are concerned, "none of these problems...are considered to be insoluble."

In Ontario, a majority of large cities are served by two railway companies. Most major city-pairs are connected by two or more rail links, which provide attractive opportunities for gains in service and efficiency, once the principle of shared usage is established.

Two kinds of rationalization are foreseeable. The first is the 'piling on' for economies of scale. This is where all feasible traffic would be concentrated on a selected route, whose revenues could then support a much higher level of capital improvement – such as electrification, curve easing, grade separation, double-tracking and advanced signalling – than the existing traffic could justify on any one of the existing parallel routes.

As a consequence, there would be the opportunity to retire one or more of other little-used lines or a downgrading of level of maintenance for savings in operating expense. The line chosen for concentrated traffic presumably would be that with the most favourable combination of directness, straight alignment, easy gradients and freedom from speed restrictions, so that economies in running costs would be achieved for all the traffic transferred to that line.

The second is the differentiation of traffic. This is where there is potential for reserving particular lines of a parallel group for certain traffic, for example, passenger traffic to one line and freight to another. This measure could be used to eliminate interference between freight and passenger trains due to their difference in speed. It could relieve passenger tracks of heavy freight car axle loads, with its attendant limitation on passenger train speeds.

And variations are possible, such as assigning lighter, faster express freight trains to the passenger route. These give flexibility in relieving any traffic stress on one particular line. It is usually the case that one company has more traffic than the other and thereby would gain by equalization of traffic volumes, more or less.

Another possibility, useful where single track lines are reaching limits of capacity, is to institute one-way operation over each line of a pair of parallel routes.

A further option is use of one line for fast, through traffic of both companies. The other line can be used for traffic serving intermediate points. A particular bonus would be removal of way

freights from the path of through trains with schedules to meet. This arrangement would only be feasible where one route has most of the smaller towns and spur-served industries along its length.

Southern Ontario is particularly rich in duplicate facilities and correspondingly in opportunities for specialization and rationalization. Between Toronto and Windsor, for example, there are no less than five through tracks on not less than three route alignments.

There is an element of urgency in the designation of specialized roles for individual lines, especially the high speed passenger role, in order not to delay the necessary upgrading of selected roadbeds and structures, and the provision of electrification.

The Task Force believes that the issues of shared track usage and access to the rail infrastructure are of utmost importance. Costs and benefits to the railways and shippers, including VIA Rail and GO Transit, need to be thoroughly assessed. Resolving the question of access and duplication of services is the key to providing the high level of rail service which the Task Force believes should be provided in this Province.

**Shared use recommended**

The Province should urge the federal government to require that all railways be permitted the use of another railway company's tracks, for a fair fee, when that shared use will improve the cost and service to the public.

**Nationalization rejected**

The Task Force does not accept the concept of government ownership of the rights-of-way. It is satisfied that with the proper policy framework and access to the rail system by both shipper and railway companies alike the railways are more than competent to own and manage the rights-of-way in the best interests of all.

## RECOMMENDATIONS

- |     |   |
|-----|---|
|     | Is Lighter Better?  |
| 2-1 | The Task Force recommends that a planning standard initially of 125 mph be adopted for designated high speed passenger routes, progressive steps being taken towards this goal in revenue service as equipment permits.   |
| 2-2 | To protect corridor track for these higher speeds, the Task Force recommends that loaded jumbo freight cars with gross weights somewhere between 100 to 130 tons (car plus load) should not be hauled over jointed track designated for use by high speed passenger trains, but should be diverted. |
|     | Shared Use of Track   |
| 2-3 | The Province should urge the federal government to require that all railways be permitted the use of another railway company's tracks for a fair fee, when that joint use will improve the cost and service to the public.  |





## PASSENGER RAIL—AN ESSENTIAL SERVICE



PHOTO COURTESY OF CPRAIL

Fuel prices and improved service will create increased passenger rail demand in coming years.

No subject aroused greater public interest, suggested the need for more concerted attention or provoked more enthusiasm with members of the Task Force than passenger service.

It was readily evident that there are many who view travel by rail with nostalgia. Others see it as an essential service. To people in parts of Northern Ontario it is a necessity, a part of their daily life. Planners and engineers recognize its growing capacity to become the new, ultra-modern way to travel. The public generally is ambivalent, either having turned away from rail, or, in some cases, not now enjoying the services provided.

There is no doubt that there has been a decline in railway passenger service in most parts of Ontario during the last thirty years. This is reflected in the erosion of many services by the closing of lines and the running of fewer trains. Until the late Seventies, there were fewer passengers using rail service, with people turning to other more personally convenient or faster, reliable modes of travel.

But the Task Force sees signs of a turnaround. It also sees opportunities for rail passenger service to once again become a powerful and significant component of our provincial transportation scene.

The Task Force believes that the Province should promote the improvement of railway passenger service as a key part of a program to effect changes in the total transportation system. Even though operating inter-city rail services is the paramount responsibility of the federal government, the Canadian Transport Commission and VIA Rail, there must be a provincial involvement.

As part of our concern and to avoid the risk of further disenchantment by existing or new users of rail passenger services, VIA Rail should be encouraged by the Province to support its rail promotion and marketing program with efforts to improve the level and quality of its current services.

The Task Force sees a basic need to maintain and improve service

levels in Ontario. There should be no further erosion until a comprehensive federal and provincial rail passenger plan can be completed for the province. At the same time, there is the need to improve speed, reliability and effectiveness of passenger rail, along with the development of new concepts, services and equipment.

When analyzing the passenger system, the Task Force came to the conclusion that there were five types of service in Ontario which must be addressed:

- Transcontinental
- International
- Inter-City
- Regional/Local
- Commuter.

Improvements are also needed in other areas relating to the kinds of services that the railways provide, in order to make rail travel a more convenient, attractive alternative than is currently perceived in the eyes of the travelling public. These include redesigned or relocated terminals, connections to United States services, special tourist excursion trains and improved services to the disabled.

### The Present Pattern of Services

Ontario has almost 10,000 miles of rail routes, about half of which still carry some form of rail passenger services. Two-thirds of that total are located in Northern Ontario where passenger routes comprise 80 percent.

Seventeen specific passenger services form six groups or corridors, with Toronto as the main hub. The Corridor East (Toronto-Ottawa-Montreal triangle) accounts for about half of Ontario-related passenger miles, the Corridor West (Toronto-Windsor) for about one quarter. The Western Transcontinental has about one fifth, and the Northeast Corridor (ONR), Niagara Corridor and other smaller corridors each account for one percent of our total rail passenger miles.

VIA Rail operates passenger services in all but 8 of Ontario's 89 urban municipalities over 10,000 population. Cambridge, Lindsay, St. Thomas, Owen Sound, for instance, do not have passenger rail service.

Frequency of train service varies considerably. Outside the Toronto commuting area, London has the largest number with 151 departures weekly. Some other towns and cities have only 6 or 7 a week.

The lowest service frequencies of all are to be found in Northern Ontario. The hamlets along the 202-mile CN line between Sioux Lookout and Thunder Bay are served by mixed trains only twice or three times a week in each direction.

Passenger rail service for communities with populations under 10,000 is non-existent in large parts of Ontario. Many centres must now rely exclusively on highways for inter-city travel. Services in the Bruce County area disappeared entirely in 1970. The same for Sault Ste. Marie. There is only one remaining passenger service directly linking Ontario with the United States: Toronto-Hamilton-Buffalo.

Rail's share of the inter-city travel market varies to a considerable degree, depending on the corridor and service provided. In the Corridor East, rail represents 17 percent of all travel, behind air travel but ahead of bus service. In the Corridor West, rail is ahead of both air and bus travel at 11 percent. In other corridors, rail accounts for about 5 percent or less of total travel activities.

Part of the explanation for declining rail passenger services lies with the increasing popularity and competitiveness of other forms of transportation. Air travel is generally regarded as being reliable and fast. Personal automobile use is convenient and extremely flexible. At present, bus travel is competitive with most rail services in terms of time, cost and flexibility.

The Task Force believes that the Province should influence the federal government to see that passenger rail fares reflect the true value of service provided, and thereby ensure fair competition be-

Extent of the network

Service lacking in many communities

Rail and bus fares

**Present train speeds**

tween the rail and the bus modes.

Where travel time is a factor in the selection of transportation mode rail has proven itself to be extremely uncompetitive. The average rail speed from Toronto to many destinations in the Province is less than 40 miles an hour. It is only in the Windsor-Quebec City Corridor that competitive speeds averaging 55-75 miles an hour are reached. Not surprisingly, it is in this corridor that the highest level of passenger rail use occurs in all of Canada.

After years of decline, there are definite indications that rail passenger travel is once again being considered as a viable alternative. Between 1976 and 1979, passenger traffic increased by 34 percent. On some Ontario routes, average trip length is also increasing.

The public interest requires that governments, the railways, and other agencies in combination coordinate efforts to improve the viability and popularity of rail travel. The more efficient use of existing infrastructure, the fuel saved by using more energy-efficient modes, and the savings produced by the deferral or elimination of other transportation facilities, make the investment in rail sensible and practical.

At the same time, issues of energy efficiency and economics cannot be addressed in a vacuum. For any rail policy to be effective, it must lead to the development of transportation services that are acceptable to the public and enhance the standards and patterns of living that are valued by Ontario residents.

A new rail policy cannot ignore what the public wants, focussing only on what the public needs.

**Rail limitations****Opportunities for Development**

In considering a rail passenger policy for Ontario, the Task Force recognized that rail will never serve everyone in the Province. At the same time, the Task Force believes there are many opportunities to improve service and to reach out to new markets.

From the passenger point of view, the use of rail is often limited by reason of its non-availability, the nature of the service that is available, its location and cost when compared with the available options. The role passenger rail can play is also inhibited by the lifestyles which many Canadians have adopted and the place within those lifestyles to which they have relegated public transportation in competition with the privacy of the automobile.

**Rail opportunities**

Nevertheless, in certain locations and for certain types of trips, rail can be the most efficient and preferred way to go for the traveller. The challenge for the government and the railways is to persuade the traveller to again consider rail as a preferred mode.

Existing and anticipated trends in lifestyles and demographic patterns also point to some advantages for railways. An aging population with more leisure time can allocate greater financial resource for travel. This can translate into new opportunities for rail as a viable transportation service for this segment of our community.

The Task Force can see a number of opportunities worthy of exploration. From a geographic point of view, the Windsor-Quebec City Corridor is the prime candidate for high speed passenger rail. Northern Ontario has a need for specialized local service. In the large urban areas, there is an increasing requirement for commuter service. In addition, there is an opportunity to serve recreational and tourist requirements through transcontinental services, year-round resort trips, package train tours and ski trains to specific locations.

Finally, to achieve the highest possible level of efficiency in terms of distribution of scarce resources, initially the Province should support improvements in specific links in the transportation system such as the Windsor-Quebec City Corridor, rather than press for overall system improvements.

**The Importance of the Transcontinental Service**

In Canada, when the subject of rail passenger service comes up, debate immediately centres on the transcontinental service.

This is not surprising, since the first transcontinental line was the



instrument used to build this country. It carried settlers to the West, and was regarded as a major link for communications and commerce. For many of us, it provided us with a first view of the vastness and magnificence of our Canadian geography.

To the people of Northern Ontario in particular, it was their existence – their jobs and their lifeline to the world.

The day is long gone when four transcontinental trains departed daily from Montreal and Toronto for Vancouver to begin the long journey across the country.

The modern peak in transcontinental travel during the 1967 Centennial Year demonstrated that the Canadian public was still very interested in a leisurely, sociable, heritage-viewing travel experience. Nowadays, the spacious transcontinental train continues to serve that specialized but valuable purpose.

Transcontinental should not be eliminated

For this and other strategically important reasons, the transcontinental train should not be eliminated.

The Task Force endorses the principle of a passenger rail service operating coast-to-coast. For Canadians, it serves as a visible symbol of ties that bind us across incredibly long distances and link directly to the days when the 'ribbon of steel' first united the country. For all travellers, Canadians and visitors alike, it is an ideal way to experience Canada's impressive diversity in a comfortable and relaxed atmosphere.

Therefore, to suggest that the present type of service be discontinued, or that the present transcontinental train be replaced by a train of higher density seating and fewer hotel-style amenities, is self-defeating. The storm of protest against any threat to discontinue the service is ample evidence of the value accorded to the 'idea' of the transcontinental. Altering the composition of the train would eliminate its special appeal without making it any more competitive with car, bus or airline travel.

Present costs

The expense to the public of this transcontinental service is substantial. The costs are further increased by the number of trainsets required to ensure daily service from both directions on such a long run. These costs are also aggravated by the twin routes taken. As a result, transcontinental passenger service accounts for about 65 percent of all passenger rail costs, with little prospect of effecting any real savings at present frequency and fare levels.

This substantial transcontinental deficit absorbs government funds perhaps better deployed in other corridors where technological improvements are feasible, more cost-effective and urgent.

Frequency could be reduced

From the marketing perspective, transcontinental service every day is no more essential than it is in the air charter industry. People normally plan their long-distance heritage or vacation rail trips well in advance, and starting dates can be elastic. As well, the market demand for this type of service is highly peaked, involving low annual utilization of equipment and facilities. Reducing the frequency of such service during the off-peak periods could well result in significant cost savings without destroying the market potential for the transcontinental.

Dual roles – diminished effectiveness

In Ontario, as in other parts of the country, the transcontinental serves two roles. It is an hotel-on-wheels for the long-distance traveller. It is also of necessity the vehicle for short-distance, local/regional travel in areas isolated from other transportation alternatives. Although the transcontinental can serve its first role effectively, it does a poor job at best in serving the needs of the local traveller, especially in Northern Ontario.

These views are shared by groups and individuals living along the 300-mile stretch of track between White River and Sudbury, and were expressed at public hearings held by the Canadian Transport Commission at White River, Chapleau and Sudbury to review the decision to replace local Budd car service with the transcontinental. According to a brief from the Biscotasing Citizens Committee:

"We are not getting as good a service now as we did when the Budd car was running. Our children's education will suffer, tourism will suffer, our mail will be three weeks late, we may run out of essential food, trappers are neglected and the transcontinental



passengers are dissatisfied because of lengthy travel time." And, Louise Laderouceur of Cartier, Executive Director of the Un-organized Communities Association of Northeastern Ontario agreed at a hearing in Sudbury that people remain reluctant to flag down the transcontinental:

"We really can't see the transcontinental stopping for us at the wave of a hand. It is so big, it's going so fast and it has a schedule to keep, how can it stop?"

The heavy train, with its complement of staff and services which are not needed by the short-distance traveller, is too unwieldy and costly an instrument to provide effective, cost-efficient local services, even as a by-product of its transcontinental function. The sheer length of the route through Northern Ontario requires that the train must travel through many communities very late at night or early in the morning, times hardly conducive to local access.

The communities in Northern Ontario through which the transcontinental passes have a greater need for day service at convenient travel times. The dual role of the present transcontinental train does not serve the transportation needs of these northern communities.

The Task Force recommends that while the transcontinental passenger service should be continued as a superior heritage trip, it should be re-examined in an effort to minimize its costs and to disentangle its role from serving the local communities along its route.

The Province should initiate negotiations for the development of appropriate local and regional rail services for isolated northern communities. This is discussed more fully in a subsequent chapter.

### Ontario-U.S.A. Links

Twenty years ago, Canadian rail passengers travelling into the United States could board a train in Toronto and get off in Chicago or New York for connecting services to other parts of the United States. Today, that is no longer possible. Although the rail links still exist, they are used only for freight trains.

In fact, there is only one remaining passenger rail link to the United States from Ontario. Even that service, between Toronto, Hamilton and Buffalo, was scheduled for abandonment in September, 1980, and would have been terminated if the CTC had not suspended its decision after strong intervention by the Government of Ontario and others.

The substantial majority of Ontario's population resides in close proximity to the United States. There is significant cross-border travel by Canadians on business and to American tourist sites and urban destinations. Conversely, the proximity to Ontario of major U.S. centres holds great potential for American tourists travelling by rail to Ontario's attractions. Residents of Michigan already constitute the larger part of weekend rail boardings at Windsor bound for Toronto.

Overseas tourists, accustomed to superb trans-border rail passage throughout Europe, now find it extremely inconvenient, if not impossible, to combine rail travel in the United States with rail travel in Ontario. Faced with the necessity of developing convenient and worry-free travel plans, overseas visitors to North America must either fly or drive between the two countries, or eliminate one country from their holiday plan.

In Montreal, services now operate directly into the city core, giving American travellers from eight U.S. states access not only to Montreal, but also to Quebec City and Ottawa by cross-platform connections. Similarly Amtrak operates directly into Vancouver from the west coast states; it is a convenient way for cross-border shoppers to travel between Seattle and Vancouver.

Ontario does not enjoy similar access. Amtrak-VIA Rail linkages are either non-existent or so inconvenient as to be virtually useless. The Interim Report documented the problems encountered by a member of the Task Force in his attempt to utilize rail passenger services to travel from Toronto to Lansing, Michigan.

From Michigan to New York State, the shortest distance is through Southern Ontario via Windsor or Sarnia and the Niagara gateways.

Disentangle the roles

Plan local service

Decline of transborder links

#### Restore through running services

Routing U.S. passenger and freight rail services over Canadian lines has significant advantages for Ontario and is to be encouraged.

To increase passenger convenience, assist in promoting tourist opportunities and promote the use of rail, the Task Force recommends that the Province actively encourage the restoration of strong passenger rail links with U.S. systems and cities. To this end, the Province, in concert with the states of Michigan and New York, should press for the restoration of through-running passenger equipment between Ontario and U.S. destinations, and between New York and Michigan destinations, serving Ontario points between.

Further, the Province, in concert with the neighbouring states, should undertake market surveys of the potential for increased rail traffic between Canada and the United States in order to develop the information needed to specify the most appropriate routes and schedules for discussion with VIA Rail and Amtrak.

The Province should negotiate with the federal government for the removal of any impediments to the enroute processing of transborder passengers. Passenger convenience and government administrative problems could be well served through prior customs and immigration processing at originating points, as one example.

Further, the Province should consult with the Ontario travel industry as to the requirements for enhancing the awareness and use of the rail mode for suitable journeys between the U.S. and Canada, and for the simplification of information, reservation and ticketing procedures.

The Province should also encourage the use of Canadian trunk lines for any restoration of U.S.-to-U.S. passenger services between the Windsor-Sarnia and Niagara gateways.

#### Windsor to Quebec City: Canada's Principal Corridor

It is in the Windsor-Quebec City Corridor that the potential exists for the most effective utilization of high performance passenger rail. Corridor passengers constitute more than half the ridership on the entire Canadian rail system, excluding commuters. The majority of these move either between points in Ontario or to and from Montreal.

The present rail share of the corridor travel market ranges from one percent between Montreal and Quebec City to more than 20 percent between London and Toronto. While the upper limits of present rail speeds are 95 miles an hour east of Toronto and 80 mph west of Toronto, average train speeds in the corridor are considerably less than ideal. They range between 76 mph to the Kingston area and 40 mph to the Kitchener area.

Higher effective speeds and more time-reliable services to shorten travel time and improve punctuality are the keys to shifting a greater number of people to rail transportation, especially in this main corridor.

Regrettably, there are a number of impediments to the attainment of such performance improvements. Interference from slower freight traffic, opposing traffic in single-track areas, congestion in terminal approaches, and switching problems all lower the effective speed of passenger services. Track conditions, signal spacing, grade crossings and the absence of safety fencing, combined with deterrants such as yard activities and track repairs, limit speeds below those required for fast inter-city travel.

Among the improvements which should be instituted throughout the corridor is continuous welded rail to provide a smoother ride for passengers. Another is the elimination of several bottlenecks in the corridor.

There are other impediments, unrelated to on-track speeds, which make rail journeys more time-consuming and less attractive than they otherwise should be. Local pressure for intermediate stops, the politics of intermodal competition between rail and bus carriers, delays at railway stations such as access, ticketing, loading or unloading, indifferent interconnections between rail and other modes at both departure and destination points, all combine to inhibit rail travel.

Nevertheless, there has been considerable attention focussed upon upgrading the corridor. The federal government has ordered a demon-

#### Increase speeds, improve reliability

#### Present impediments

#### Plan new trains now

stration of high speed trains in the Ottawa-Montreal-Quebec City area using the newly-developed light, rapid, comfortable (LRC) equipment.

The LRC locomotive and cars have characteristics which make them eminently suited to service at moderately high speeds on winding alignments, particularly those whose curves have been flattened to suit freight train speeds. However, in the Windsor-Quebec City Corridor, the tilt feature is less important. There is some concern that the locomotive may be harsh on track in the range of the very high speeds (over 100 mph) required in this market to achieve selective modal shifts of riders from air and car, but not necessarily bus.

The Task Force recommends that the federal government verify that the LRC trainsets can be operated in regular corridor service at speeds up to 125 mph without inflicting unacceptable levels of damage to the track. In the event that these speeds cannot be sustained due to high locomotive wheel impacts, then the design of LRC locomotive should be appropriately modified for high-speed corridor service.

The Task Force urges the federal government to proceed with development of specifications for new generation electrically powered high speed corridor trains.

At the national level, there appears to be a considerable policy overlap and confusion which results in a lack of action on rail improvements. While spending has increased for demonstration projects and studies are on-going in the corridor, federal government attention is focussed primarily on the Toronto-Ottawa-Montreal triangle. Little attention is being given to the Toronto-Windsor section, where considerable improvements could also be made and where the Task Force believes a significant benefit could be achieved by upgrading service.

#### Investigate high speed options

The province should actively participate in the investigation of high speed rail options for the Windsor-Quebec City Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of further study, and have been discussed in the previous chapter.

The Province, the federal government, the railways and local municipalities should develop collectively the technical and financial means to protect, preferably eliminate, grade crossings in the Windsor-Quebec City Corridor at a rate that will ensure the early implementation of a high speed rail service.

A massive upgrading is necessary for the entire Windsor-Quebec City Corridor, including attention to the roadbed, rolling stock, signalling, overhead structures, etc., in order to achieve high speed rail service.

In order to pursue the option of high speed rail services throughout the Windsor-Quebec City Corridor, while at the same time protecting the interests of adjacent bus carriers, the Province should actively negotiate coordination of bus and train services directed to achieving the highest *combined* ridership on fair business terms.

There also is a need to improve accessibility to the rail system by bus and air passengers and by those using urban transit.

The objective of public policy should be to eliminate the barriers to fast convenient rail travel in the corridor and thus attract travellers from air and car modes.

The Task Force recommends that delays to passenger trains by freight trains in the corridor be eliminated by all possible means, such as more power on freight trains, rescheduling or diversion of freight trains, adding third track, signalling improvements, or dedicated passenger track.

#### Line priority for passenger trains

In addition, the Task Force recommends that the federal government take appropriate steps to ensure that passenger trains be given legal track priority over freight trains.

#### Railway Stations and Intermodal Centers

The nature of journeys using other than the personal automobile places the traveller at a disadvantage at the "away" end, where he or she is suddenly without the mobility a car provides to bridge the distance from the airport, bus terminal or railway station to the final destination.



The problem is increased with multi-stage journeys where the interconnection between the first and subsequent stages of the trip poses scheduling, time and access difficulties. Too often, the interconnecting 'weak link' acts as a deterrent to the use of the most energy-efficient combination of transportation modes for the trip.

For rail passenger services operating over short to medium distances, central station locations are critical. Most people travelling for personal or business reasons are destined for central business districts. Terminals located far from the downtown core requiring the traveller to complete the trip by bus or taxi, detract from the attractiveness of rail. With the time and cost involved, car, plane or bus would have served as well.

The need for strong interconnecting services between rail and other modes, especially for the continuing traveller, makes it important that passenger rail stations not exist in isolation, accessible only by the car or bus. Seen from that perspective, Toronto has an excellent railway station with interconnections to commuter service, subway, taxis, rental cars, and possible direct access to the major Ontario bus carriers when the downtown bus terminal is moved to an adjacent location.

Municipalities which relocated their railway stations to suburban locations may now have cause to regret that decision. Future decisions with respect to revitalized rail services and the provision of commuter rail transit become extremely difficult when there is no convenient access to the railway station.

To influence such decisions in the future, the Task Force recommends that the Province publish guidelines to indicate where retention of central locations for rail passenger stations is desirable in the general public interest, and that of the host community.

The Province in some cases should act as a broker-coordinator to ensure that multi-modal transport centres can be established by communities that require them.

The establishment of intermodal stations should be assisted by the Province through the provision of technical and financial help in the preparation of plans for revitalized or resited railway stations. These plans should consolidate rail access with rural and inter-city bus services, urban transit, airport transfers, rental car facilities, taxis, travel agents, restaurants, other services to the traveller. Both Kapuskasing, Ontario, and Kalamazoo, Michigan, provide models for this type of redevelopment.

In large cities, it may be desirable to add suburban stations to afford easy access from outlying residential areas. The Province should encourage this development, and assist in site selection and the provision of adequate parking facilities.

In view of the foregoing recommendations, the Province should have a role in determining which railway stations should be maintained for some appropriate purpose, such as rail passenger station, intermodal terminal, as a building of historical significance, or other use.

Therefore, the Province should encourage Ontario municipalities to investigate such railway stations and their potential.

Further, the Province should inform the CTC that it wishes to be notified in all cases of applications requesting closure of stations. The degree of provincial intervention in such closure applications should be determined on a case-by-case basis, following local consultation.

### **Services for the Physically Disabled**

The problems posed for the physically disabled in the use of rail transportation facilities, including commuter rail, are similar in many respects to problems of access to and use of other transportation modes and other public services generally.

Access to and egress from rail stations is not universally available. Accessibility within terminals and to platforms is impeded by steps, doorways, counter levels, turnstiles, etc. Lifting devices for boarding and alighting are not provided. On-board mobility is poor. Wheelchair tie-down devices and storage are not provided. Commuter coaches, designed for maximum carrying capacity, are even more limited in their ability to accommodate the disabled.

Interconnect with other modes

Provincial guidelines and assistance

Assess existing stations



A number of steps have been taken recently by various agencies and governments to at least partially deal with these problems. VIA Rail, under a directive from the CTC, is to provide manual lifting for the disabled at thirteen stations across Canada. Modified rail diesel cars, with redesigned interiors and lifts on both sides, will be in service by the mid 1980's. Ontario Northland accommodates the physically disabled within the limitations of its present equipment.

The Ministry of Transportation and Communications and the Toronto Area Transit Operating Authority are studying the appropriate approach to meeting the interregional mobility needs of the disabled within TATO's operating area. The study is examining both accessibility requirements and alternative services.

Recommendations of the Ontario Human Rights Commission Report *"Living Together"* (1977) urged the long-range goal of providing public transportation services which are accessible to the physically disabled. The Province endorses that principle and recognizes the need to provide 'usable' transportation for disabled persons travelling between Ontario cities and beyond the Province.

In the case of commuter rail services (in fact, all public transit services) improved accessibility for the physically disabled may be achieved through a combination of station-vehicle design on a selective basis and appropriate parallel services where these are more cost-effective.

The Task Force recommends that the Province provide information to the public on the transportation services now available to the physically disabled and on the existing policies that apply to the various transportation modes.

The Province should improve the accessibility of its existing commuter rail services to ambulatory physically disabled travellers through appropriate modifications of specially designated vehicles on selected trains, and by embarking upon a staged program for alterations to the most highly utilized stations. In planning for new commuter services, access for physically disabled persons should be considered in the design stages of the new facilities.

Training programs also should be instituted, in cooperation with the appropriate agencies, to familiarize railway operating personnel with the needs of the disabled as well as to improve staff sensitivity towards those needs. Further, the Province should endorse the commitments made by VIA Rail to include accessibility features for disabled persons in major vehicle and station renovations.

### **Tourism and Excursions**

Rail performs an important role in tourist travel in Europe. Possibly the most convenient and inexpensive way to travel the Continent is to purchase the Eurailpass which is offered to out-of-country tourists. The reasons for the success of rail in the tourist market is the convenience, cost, comfort and reliability of the train system which serves most major population centres in Europe.

Unfortunately, passenger services in Canada and the United States have a much poorer reputation. There was a discussion of the harsh criticisms by domestic tourists contained in a working paper published in the Task Force Interim Report. Service was described, among other things, as being high-priced, uncomfortable, slow, infrequent and late.

Considerable public discussion was aroused. The Task Force is encouraged by the response of VIA Rail and feels it is only fair to give VIA the opportunity to resolve these problems. Nevertheless, it is a fact that tourist travel represents only six percent of the total passengers carried by VIA Rail.

VIA Rail has demonstrated that there is potential for properly marketed rail tourist packages. In 1978/79, some 24,000 tourists and skiers were carried into the Laurentians. VIA is now selling about 500 excursion packages per weekend from Detroit-Windsor to Toronto. Tourist packages can and should be expanded and marketed. Within the mix of services provided, there should be special low-priced fares to enable young people to see our country.

There are two types of rail excursion opportunities that can be pursued. The linear excursion is one in which the train ride itself is a

Improve accessibility

Tourism potential

major part of the attraction. In Ontario, the Agawa Canyon tour, the Polar Bear Express to Moosonee, and the steam train ride from Ottawa through the Gatineau Valley are examples of this type. The Trans-continental heritage traveller is another model on a larger scale.

The second opportunity is the destination excursion where the train ride is a convenient means to get to the final attraction or destination area. As with air travel, the train fare can be attractively packaged with accommodation and recreation opportunities as incentives for the tourist. In keeping with the desire to promote a modal shift to more energy-efficient transportation, tourist rail can be used to encourage the general public to “try out” the rail system, as well as adding to the attraction of a given tourist destination.

In keeping with these objectives, the Task Force recommends that the Province actively support the use of rail transportation to a given recreation destination wherever that service can be shown to be either self-sustaining or of sufficient additional benefit to the provincial economy to justify a financial contribution to the service.

Detailed cost-benefit studies should be conducted by the Ontario government to determine the feasibility of providing rail services to selected high-potential tourist destinations in the Province. As part of these studies, the Province should consider developing a demonstration service to the four seasons Collingwood-Wasaga Beach area. As is the case with the Laurentians, rail has the potential for providing a safer, less weather-dependent mode of winter travel to Georgian Bay ski facilities, as well as easing weekend highway congestion on a year-round basis.

Improvements to the marketing of rail transportation packages and services must be made. In addition, since off-shore visitors are more accustomed to travelling by rail and make up a large part of the potential Ontario tourism market, the Province should ensure that information on rail travel and rail travel packages is included in any promotional programs addressed to the off-shore market.

Since the railways have the power to refuse passage over their lines, and do so, the Province should negotiate on behalf of rail enthusiast associations and others to have the railways allow chartered excursions over other than VIA-operated rail lines.

### **The VIA Rail Minimum Fare Policy**

The Task Force has a further comment relating to passenger services.

The objective of maximizing the use of available rail services and capacity is not well served by the blanket imposition by VIA Rail of minimum fares over the entire length of certain regional or secondary services. One example of this regressive policy is Stratford-Kitchener, a distance of 26 miles, where a minimum fare of \$4.00 is required.

Passengers riding short distances between outer stations before the load builds up for the longer distances can only increase passenger revenues for the operator without causing any great disruption to the performance of the service. Where overloading does occur through the Toronto commuting zone, minimum fares are more appropriate as a deterrent.

In order to maximize rail passenger usage, the Task Force recommends that the Province request VIA Rail to redefine its minimum fare policy, so that it applies deterrent fares only to those sections of a route where overloading would occur with normal scale fares.

Provincial support

Possible demonstration service

Chartered excursions

Redefine minimum fare policy

## **RECOMMENDATIONS**

- |     |  |
|-----|--|
| 3-1 | The Task Force believes the Province should promote the improvement of railway passenger service as an essential part of a program to enhance the total transportation system.   |
| 3-2 | The Task Force recommends that, in order to avoid the risk of further disenchantment by existing or new users of rail passenger services, VIA Rail should be encouraged by the province to support its rail promotion and marketing program with efforts to improve the level and quality of its current services. |

### The Present Pattern of Services

- 3-3 The Province should influence the federal government to ensure that passenger rail fares reflect the true value of service provided and thereby ensure fair competition between the rail and bus modes.

### Opportunities for Development

- 3-4 The Task Force recommends that in order to achieve a high level of efficiency in terms of distribution of scarce resources, initially the Province should support priority improvements in specific links in the transportation system, such as the Windsor-Quebec City Corridor, rather than press for overall system improvements.

### The Importance of the Transcontinental Service

- 3-5 The Task Force recommends that while the transcontinental passenger service should be continued as a superior heritage trip, it should be re-examined by the federal government in an effort to minimize its costs and disentangle its present role from serving the transportation needs of the local communities along its route.
- 3-6 The Province should initiate negotiations for the development of appropriate local and regional rail services for isolated northern communities.

### Ontario-U.S.A. Links

- 3-7 The Province should actively encourage the restoration of strong passenger rail links with U.S. systems and cities. To this end, the Province should, in concert with the States of Michigan and New York, press for restoration of through running of passenger equipment between Ontario and U.S. destinations, and between New York and Michigan destinations serving Ontario points between.
- 3-8 The Province, in concert with neighbouring States, should undertake market surveys of the potential for increased rail traffic between Canada and the United States in order to develop the information needed to specify the most appropriate routes and schedules for discussion with VIA Rail and Amtrak.
- 3-9 The Province should negotiate with the federal government for the removal of any impediments to the en route processing of trans-border passengers. Passenger convenience and government administration problems could well be served through prior customs and immigration processing at originating points, as one example.
- 3-10 The Province should consult with the Ontario travel industry as to the requirements for greater awareness and use of the rail mode for suitable journeys between the U.S. and Canada, and for the simplification of reservation procedures, information and ticketing procedures.
- 3-11 The Province should encourage the use of Canadian trunk lines for any restoration of U.S.-U.S. passenger service between the Windsor-Sarnia and Niagara gateways.

### Windsor to Quebec City: Canada's Principal Corridor

- 3-12 The Province should seek the attainment of higher effective speeds and more time reliable services to shorten travel time and improve punctuality as incentives for shifting a greater number of people to rail transportation, especially in this main corridor.
- 3-13 The Task Force recommends that the federal government verify that the LRC trainsets can be operated in regular corridor service at speeds up to 125 mph without inflicting unacceptable levels of damage to the track. In the event that these speeds cannot be sustained due to high locomotive wheel impacts, then the design of the LRC locomotive should be appropriately modified for high-speed corridor service.
- 3-14 The Task Force urges the federal government to proceed with development of specifications for new generation electrically powered high speed corridor trains.
- 3-15 The Province should actively participate in an investigation of high speed rail options in the Windsor-Quebec Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of study and have been discussed in the previous chapter.



- 3-16 The Province, the federal government, the railways and the municipalities should develop the technical and financial means to more effectively protect or eliminate grade crossings in the Windsor-Quebec City Corridor at a rate that will ensure the early implementation of a high speed rail service.
- 3-17 The Province should seek appropriate up-grading of the Windsor-Quebec City Corridor, including attention to the roadbed, rolling stock, signalling, overhead structures, etc., in order to achieve high speed rail service.
- 3-18 The Province should actively negotiate co ordination of train and bus services in the corridor, directed to achieving highest *combined* ridership on fair business terms.
- 3-19 The Task Force recommends that delays to passenger trains by freight trains in the corridor be eliminated by all possible means, such as more power on freight trains, rescheduling or diversion of freight trains, adding third track, signalling improvements, or dedicated passenger track.
- 3-20 The federal government should take appropriate steps to ensure that passenger trains be given legal track priority over freight trains.

#### Railway Stations and Intermodal Centres

- 3-21 The Province should publish guidelines indicating where retention of central locations for rail passenger stations is desirable in the general provincial interest and that of the host community.
- 3-22 The Province should act as broker-coordinator to ensure that multi-modal transport centres can be established by communities that require them.
- 3-23 The establishment of intermodal stations should be assisted by the Province through provision of technical and financial help in the preparation of plans for revitalization or resiting of rail stations. These plans should consolidate rail access with rural and intercity bus services, urban transit, airport transfer, rental car facilities, taxi headquarters, travel agents, restaurants and other services for the traveller.
- 3-24 In large cities it may be desirable to add suburban stations to afford easy access from outlying residential areas. The Province should encourage and assist in site selection and the provision of adequate parking facilities.
- 3-25 The Province should have a role in determining which railway stations should be maintained for some appropriate purpose, such as rail passenger station, intermodal terminal, as a building of historical significance, or other use.
- 3-26 The Province should encourage municipalities to investigate such railway stations and their potential.
- 3-27 The Province should inform the CTC that it wishes to be notified in all cases of applications requesting closure of stations.
- 3-28 The degree of provincial intervention in such closure applications should be determined on a case-by-case basis, following local consultation.

#### Services for the Physically Disabled

- 3-29 The Province should provide information to the public on the transportation services now available to the physically disabled and on existing policies that apply to the various transportation modes.
- 3-30 The Province of Ontario should improve the accessibility of its existing commuter rail services to ambulatory physically disabled travellers through appropriate modifications of special designated vehicles on selected trains and by embarking upon a staged program for alterations to the most highly utilized stations.
- 3-31 The Task Force recommends that access for physically disabled persons should be included in the design stages of new commuter rail facilities.
- 3-32 Training programs should be instituted by rail service operators in cooperation with appropriate agencies, to familiarize railway personnel with the needs of the disabled as well as to improve staff sensitivity toward those needs.



- 3-33 The Province of Ontario should endorse the commitments made by VIA Rail to include accessibility features for disabled persons in major vehicle and station renovations.

#### Tourism and Excursions

- 3-34 The Province should actively support the use of rail transportation to a given recreation destination wherever that service can be shown to be either self-sustaining or of sufficient additional benefit to the provincial economy to justify a financial contribution to the service.
- 3-35 Detailed cost-benefit studies should be conducted by the Ontario Government to determine the feasibility of providing rail service to selected high potential tourist destinations in the Province.
- 3-36 The Province should consider developing a demonstration service to the 'four seasons' Collingwood-Wasaga Beach area. Rail has the potential for providing a safer, less weather-dependent mode of winter travel to ski facilities as well as easing weekend highway congestion on a year-round basis.
- 3-37 Since off-shore visitors are generally more accustomed to travel by rail and make up a large part of the potential Ontario tourist market, the Province should ensure that information on rail travel and rail travel packages is included in any promotional programs addressed to the off-shore market.
- 3-38 Since railways have power to refuse passage over their lines, and do so, the Province should negotiate on behalf of rail enthusiast associations and others to have the railways allow chartered excursions over other than VIA-operated rail lines.

#### The VIA Rail Minimum Fare Policy

- 3-39 VIA should redefine its minimum fare policy so that it applies deterrent fares only to those sections of a route where overloading would occur with normal scale fares.



## COMMUTER RAIL



Commuter rail will continue to play a significant role in our major metropolitan areas.

*"It is the finest commuter service of any in North America." –*

A.R. Williams  
Vice President, Great Lakes Region,  
Canadian National Railways.

In the years since the GO Transit service began in 1967 along the lakeshore route from Pickering to Burlington, the need for commuter service has been demonstrated over and over again. GO Transit is a North American success story. It has been continuously expanded, taking advantage of both rail and bus technology and adroitly integrating both. One tangible evidence of its success is the constant pressure by people living beyond the commutershed for extension of GO services to them.

Around the world, the use of public transportation systems to move large numbers of people to and from work in major metropolitan areas is recognized as a fundamental service to the people of the area.

It is not possible for a large city to function without having considerable distance between homes and places of work. And, since not everyone has access to an automobile, nor is it desirable to provide the additional traffic lanes plus parking spaces, etc., commuter transport becomes a public service basic to the health and viability of large urban communities.

Originally conceived as a limited alternative to the congestion of the major arterial highway routes entering the Metropolitan Toronto area from the east and west, the current GO Transit system of rail and bus lines provides commuter service to three times the number of passengers carried by the original operation.

Although GO Transit is a costly venture from the point of view of the provincial treasury, the avoidance of expansion to urban expressways more than justifies the expense. If there was no GO rail service, 44,000 additional commuters daily would be forced into automobiles, most of them carrying only one passenger.

GO Transit is the strongest area of direct rail involvement by the Province. Every effort should be made to ensure that it is fully developed and reinforced by the federal as well as the Ontario government.

### **Railway Charges for Commuter Services**

In Ontario, the GO Transit system has not been without its problems. The initial popularity of the service was so high that it produced overcrowding and over-utilization to the detriment of comfort and convenience. The introduction of bi-level cars with seating capacity of 162, compared to 94 in the single-level cars, did much to relieve this problem.

Of more immediate concern is the difficulty in negotiating the financial terms for use of the CN rights-of-way upon which GO Transit operates. The problems encountered and the cost escalations involved in the relationship between GO Transit and CN were discussed in the Interim Report. At one point, the GO-CN negotiations placed the service in jeopardy, and ultimately necessitated an increase in fares for reasons that have yet to be justified by CN.

In the current ten-year contract, the provincial government was treated, literally, as a captive shipper in negotiating for the use of CN's lines. Although this may allow CN to show better profit margins, it has done so at the expense of another publicly-operated rail service.

It is legitimate to ask why urban commuters should provide extra revenue to the federal government through part of the profits being turned over as dividend payments to the Consolidated Revenue Fund, when good arguments can be made that the flow of money should be in the opposite direction as is the case in the United States. The fact that the urban commuter is subsidized by the Province is an issue that does not effect this principle.

If a railway like CN provides commuter rail services at more than variable cost, then the greater the extent of commuter services, the greater the net income of the railway and, in the case of CN Rail, of the federal government. There is no doubt that the federal government is deriving extra revenue from GO Transit, and therefore from Ontario taxpayers, revenue which would not be available if the service did not exist. Thus, this revenue can be construed as a form of federal 'tax' on commuter services, discouraging increases in commuter ridership.

The Task Force recommends that the federal government should ensure through regulation that railway company charges for government sponsored commuter services be limited to a level no higher than a railway's costs of providing that service.

Another financial problem related to the provision of provincially sponsored commuter rail is the determination of the extent of plant modifications (tracks, signals, bridges, etc.) required to accommodate new or expanded service. At the present time, the railways at their sole discretion determine where and when plant capacity increases are needed, and the Province is required to pay whatever share the railways decide is attributable to GO Transit services. As a captive client of the railways, GO Transit could be required to pay the entire cost of mutually beneficial improvements, such as modernized signalization, with no court of appeal.

Even though these capital improvements are financed by the Province, their ownership accrues to the railway as a gift from the people of Ontario and as an asset to be used at any time other than the few peak weekday hours when GO Transit is operating. This additional capacity allows the railways a flexibility in routing trains around emergencies or maintenance operations which would otherwise be unavailable to them.

The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator.

Notwithstanding the problems, commuter rail service has an important role to play in the development of the Province and in the

Charges for use of the railway lines

Capital costs

Arbitration required



maintenance of acceptable lifestyle patterns in major metropolitan areas like Toronto.

### **Expanding Commuter Rail Services**

The benefit of developing modern extensive public transportation systems in large Metropolitan areas is being recognized around the world. In our own country, we have the example of Montreal upgrading and expanding its service. Vancouver is developing another kind of urban service. Downtown people-movers and commuter systems are being considered in major centres in the United States.

All are recognizing that cities and their surrounding commuter-sheds strangle without an appropriate transportation system, and that effective commuter services enhance the livability of our urban areas.

The Task Force appreciates that the potential volume of passengers must be large if a commuter rail service is to be, or can become, cost-effective or energy-efficient. The large fixed costs involved in providing stations, extra track and improved signalling required for the safe operation of commuter trains have to be carefully considered. Long trains running nearly empty over much of their route are not energy productive or economically justifiable. Therefore, the Task Force believes that when these factors are considered and cost effectiveness is marginal, buses should be the preferred alternative to the use of train.

However, when rail services are justified, it is important to coordinate bus, subway and rail transit to optimize the viability of each mode. Where buses and trains do provide transit services, there should be an integrated operating plan and fare policy.

The Task Force also warns against the over-extension of the length of a commuter rail system. This only can reduce load factors and speed below the levels needed for the targetted cost recovery, and force premature fare increases.

There is a definable limit for commuter rail travel, expressed in terms of distance, travel time and costs. These limits are subject to change due to time and lifestyle factors reflected in the nature of the urban community served by the commuter rail system.

Commuter rail investment policies and decisions cannot be formulated without first giving consideration to land use development policies in the area proposed for a commuter rail service. Commuter stations require a great deal of dedicated land for buildings, parking and access. The right-of-way needs to be protected and made safe. Land use along a commuter corridor needs to be high density to generate the passenger volumes required to justify the service.

The Province should encourage municipalities to develop land use policies which provide for higher density uses adjacent to present or future commuter rail stations. Great foresight is required in terms of land use policies to protect the commuter rail option and ensure that, when developed, commuter rail provides the maximum benefits possible for the region.

Because of the energy-efficient nature of commuter rail services, and because of the relative cost advantage offered by commuter rail as opposed to the redevelopment of arterial highways, the Task Force recommends that the Toronto Area Transit Operating Authority (GO Transit) continue its vigorous marketing program in order to increase its ridership.

It is obvious to the Task Force that routes can become just too long to provide fast, economically-justifiable rail service. Therefore, limits should be established to the GO Transit operating territory. As a general rule, the Toronto commutershed for rail purposes should be considered to be the territory within a line linking Burlington-Milton-Georgetown-Newmarket-Stouffville-Claremont-Brock Road-Pickering. However, the Task Force recognizes that other factors may indicate the need for extension of a particular service to a specific community.

The Task Force believes that the federal government should regard financial support of commuter services as being in the national interest.

The Task Force is convinced that rail commuter services are going

High volume essential  
for commuter rail

Land use policies relate  
to service

Geographic limits

Federal support

Other municipalities  
considered

to be increasingly important in the future, not just for the Metropolitan Toronto area but in other large centres in Ontario as well.

For this reason, the Province should encourage our larger municipalities to retain the option of providing commuter transit services by rail, if rights-of-way, station and other facilities now exist.

The Province should examine other metropolitan areas, such as London and Hamilton to determine their potential to support commuter rail services.

The Ottawa Metropolitan area in particular should receive early consideration. However, because the Ottawa commuting area extends across provincial boundaries, any study of that area must take place in consultation with the Province of Quebec and the National Capital Commission in order to establish the potential for an interprovincial-metropolitan commuter rail service.

## RECOMMENDATIONS

- |  |   |
|--|---|
| 4-1  | GO Transit is the strongest area of direct rail involvement by the Province. Every effort should be made to ensure it is fully developed and reinforced by the federal as well as the Ontario government.   |
| <b>Railway Charges for Commuter Services</b> |   |
| 4-2  | The Task Force recommends that the federal government ensure through regulation that railway company charges for government sponsored commuter services be limited to a level no higher than the railway's costs of providing that service.   |
| 4-3  | The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator. |
| <b>Expanding Commuter Rail Services</b>      |   |
| 4-4  | Long trains running nearly empty over much of their route are not energy productive or economically justifiable. Therefore, the Task Force believes that when these factors are considered and cost effectiveness is marginal, buses should be the preferred alternative to the use of trains for commuter service.   |
| 4-5  | The Province should encourage municipalities to develop land use policies which provide for higher density uses adjacent to present or future commuter rail stations.   |
| 4-6  | The Task Force recommends that GO Transit should, in the interests of energy efficiency, continue its vigorous marketing program in order to increase its ridership.  |
| 4-7  | The Task Force recommends that the Toronto commutershed for rail purposes should be considered to be the territory within a line linking Burlington-Milton-Georgetown-Newmarket-Stouffville-Claremont-Brock Road-Pickering. However, the Task Force recognizes that other factors may indicate the need for extension of a particular service to a specific community.                                      |
| 4-8  | The Task Force believes that the federal government should regard financial support of commuter services as being in the national interest.   |
| 4-9  | The Province should encourage our larger municipalities to retain the option of providing commuter transit services by rail if potential rights-of-way or undeveloped corridors now exist.  |
| 4-10   | The Province should examine other metropolitan areas such as London and Hamilton to determine their potential to support commuter rail services.  |
| 4-11   | The Ottawa Metropolitan area in particular should receive early consideration. However, because the Ottawa commuting area extends across provincial boundaries, any study of that area must take place in consultation with the Province of Quebec and the National Capital Commission in order to establish the potential for an interprovincial-metropolitan commuter rail service.                       |

## ONTARIO'S LOCAL AND REGIONAL SERVICES



A rational plan is needed to guide future development and use of the railway network within Ontario.

### The Need for a Master Rail Plan

The Task Force believes that the Province should assume a forceful role in administering and influencing local and regional rail services to ensure that the overall transportation needs of the people of Ontario are adequately considered and satisfied.

There are rail lines and services in Ontario which are of strong federal interest because they serve country-wide, interprovincial or transborder needs. These lines and services are closely monitored by federal agencies to ensure that national needs and priorities are being served.

Other rail lines in Ontario serve a dual purpose in that their function addresses both national needs and intraprovincial service requirements. For these lines, the federal concern is still with the delivery of nationally-related services, bearing only a peripheral concern for the regional interest served by the same lines. The transcontinental service described in Chapter III is a good example of the national need taking precedence over the regional and local requirements of the same service. The Windsor-Quebec City Corridor is another example.

There is a third group of rail lines and services which cater to strictly local and regional needs within Ontario's borders. Local services are those short, rather low-volume services acting as feeders to major trunk lines. Regional services, on the other hand, operate on major secondary lines providing intercity service over some considerable distance within the Province. The Ontario Northland service in north-eastern Ontario is a good example of a regional service.

The federal government has demonstrated very little interest or concern for these local and regional services and does not accord them the same priority which might be assigned by a provincial authority.

In order to determine systematically the magnitude and nature of the provincial involvement in various rail services, the Government of



## Development of a Master Rail Plan

Ontario should prepare a Master Rail Plan which classifies the rail lines and services in Ontario according to whether they are:

- (a) strictly local or regional in function;
- (b) interprovincial or international in function; or
- (c) dual-function lines serving both local or regional and interprovincial or transborder traffic.

The Master Rail Plan might, in fact, entail the development of several plans. It should address the use of lines for both passenger and freight purposes. In general terms, lines would be deemed local or regional which terminate within the Province. Lines comprising group (b) would include prominently the twin transcontinental spines of the main railways terminating in Toronto and Montreal, their respective lines in the Windsor-Quebec City Corridor, and the chord lines between the Windsor/Sarnia and Niagara Frontier gateways. When the third group is examined more closely, it likely will prove useful to divide it into sub-categories, reflecting different degrees of provincial interest due to varying proportions of local and through traffic. Among these, most important would be the corridor lines also used by provincially-funded commuter rail services in the Toronto area.

After regional rail lines have been identified in the Master Rail Plan, the Province should examine all lines to determine the extent of passenger services required in each area.

## Use of the Plan

The Province should use the Master Rail Plan as the basis for determining and negotiating the degree of direct or indirect provincial involvement in the provision of the various rail services in the Province, and to influence their form and quality. It should also be used as a basis for continuing discussions with the users, the railways and the federal government.

The development of the Master Rail Plan will require considerable discussion with local municipalities as a means of identifying their needs and priorities relating to local rail services.

## Municipal involvement

Therefore, the Task Force recommends that the Province of Ontario should encourage the municipalities to indicate the rail service they perceive as important to their communities, with a view to requesting the Province to negotiate with the appropriate authorities for new, reinstated or supplementary rail services.

## A shrinking network

### Branch Lines, Discontinuances and Abandonments

Between 1881 and 1951, an extensive network of passenger rail services was developed throughout Ontario. However, by 1961, many of the services in Southern Ontario had been discontinued, although northern services remained relatively unchanged. Ten years later, services and routings had been further reduced through abandonment procedures, especially in mid-western Ontario where all passenger services were discontinued. Today, very few small urban centres outside of the major corridors receive any passenger rail services.

It could well be argued that the alarming rapidity of passenger discontinuances in Ontario during recent years was due to the relative disinterest in these services at the national level. It could also be suggested that there was an absence of a sufficiently aggressive stance by the provincial government in determining where Ontario's interests lay in passenger rail services.

While the Province has had some success in halting abandonments and discontinuances as requested before the Canadian Transport Commission, the need for a broad provincial rail plan has been evident.

The issue is not restricted to passenger service. Access to rail freight service in many small communities has also been raised related to economic development.

In urging the development of a Master Rail Plan for rail services within Ontario, the Task Force contemplated that the plan would review the potential of a major asset within this Province: the right-of-way itself.

There is an extensive network of rights-of-way throughout the Province. Many are in constant use by the railways. Others are used only occasionally. Some are the subject of current discontinuance and



abandonment hearings, while others have been closed and abandoned over the years.

In fact, rail lines have been abandoned and passenger and freight services discontinued with depressing regularity during the last twenty-five years. This is partly due to the massive railway building period in the early part of this century, partly due to increasing competition from other transportation modes, and partly as a result of the consolidation and rationalization of services undertaken by the railways to reduce costs.

From a network of rail lines and passenger services which criss-crossed the Province connecting local with regional and metropolitan centres, Ontario's branch line rail system has dwindled to the point that further abandonments should be avoided.

Where previous abandonment hearings were resolved on the basis of isolated evaluation, Ontario can no longer afford the luxury of such narrowly-focused considerations.

No rail line should be abandoned without a thorough study of its local impact and its role within the provincial network. Once a rail right-of-way has been abandoned and given over to other land uses, it can never be recovered should the need arise for such a linear corridor.

Therefore, the Task Force recommends that the Province investigate all existing and dormant branch lines in order to establish a policy position and justification for maintaining, abandoning or reactivating service in each case.

Further, the Task Force recommends that such investigations should consider future needs in relationship to the entire rail network. The result of these studies would be the definition of an 'ideal' branch line network for Ontario.

It is speculated that the analysis may well show that some of the branch line passenger services formerly withdrawn would be likely candidates for reinstatement.

In cases of abandonment, studies should also include possible future needs in the areas of transportation, utility and transmission lines and recreational corridors for such sports as hiking, skiing and snowmobiling. This would avoid the problems related to incremental decision-making where the full impact of the first decision is not fully realized until subsequent decision choices are presented.

On the basis of such a study, those abandoned rights-of-way which have a near-term future use should be retained by the railways. All others should be transferred to the Province for a nominal sum.

A rights-of-way management program would be required to administer the corridors in provincial ownership.

Because some rights-of-way also bisect municipalities, the Province should assist the municipalities in putting to best use any vacant, underutilized or abandoned rights-of-way and facilities through the preparation of railway land revitalization guidelines.

An excellent model, on a smaller scale, of what the Task Force is suggesting is the study currently being carried out on present and future transportation needs of the communities and industries in the Bruce area.

The abrupt withdrawal of passenger train service in the Bruce area, through a CTC order of November, 1970, is still of concern to the residents of that area. Since many of the residents have continued to argue the need for the restoration of passenger rail services for the region, the Province should undertake a fact-finding reappraisal, which might take the following form:

- (1) A 'once and for all' monitored experiment with a 'Budd' car in the Bruce area, fares to be set at roughly half cost recovery, the remaining costs to be shared by the Province and the federal government;
- (2) explore possible private operation of a selected line for passenger or shared passenger-freight use, along the lines of the New York State experience;
- (3) involve VIA Rail, Transport Canada and the CTC in a passenger rail study, overlaying the results of the current Bruce freight network rationalization study.

Review of branch line network

Use of abandoned rights-of-way

Reappraise passenger needs in Bruce area

## New York State model

In New York State, private groups recently took over the operation of branch lines for passenger and freight service. Two new rail companies were formed to operate five branch lines threatened with abandonment. Servicing about 50 shippers along 80 route miles in upper New York State, the lines had been operated by Conrail only under protest and with state and local subsidies. The new companies hope to make the lines self-sustaining, with state and county aid for the transfer of ownership and essential capital improvements rather than for operations. A \$500 million bond issue package was put before state voters last November which would provide funds for this and other conservation purposes.

Reinstating passenger service in the Bruce area on an experimental basis should help to break the ten-year Bruce impasse of institutional studies and no specific action. It should demonstrate whether the concerns of the residents are justified and what potential exists for the redevelopment of passenger services in the area.

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## RECOMMENDATIONS

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### The Need for a Master Rail Plan

- 5-1      The Ontario Government should assume a more forceful role in administering and influencing local and regional rail services to ensure that the overall transportation needs of Ontario citizens are adequately considered and satisfied.
- 5-2      In order to determine systematically the magnitude and nature of the provincial involvement in various rail services, the Government of Ontario should prepare a Master Rail Plan which classifies the rail lines and services in Ontario according to whether they are:
  - a) strictly local or regional in function;
  - b) interprovincial or international in function; or
  - c) dual function lines serving both local or regional and interprovincial or transborder traffic.
- 5-3      After regional rail lines have been identified in the Master Rail Plan, the Province should examine all lines to determine the extent of passenger services required in each area.
- 5-4      The Ontario Government should use the Master Rail Plan as a basis for determining and negotiating the degree of direct or indirect provincial involvement in the provision of various rail services in the Province, and to influence their form and quality. It should also be used as the basis for continuing discussions with the users, the railways, and the federal government.
- 5-5      The Task Force recommends that the Province of Ontario encourage its municipalities to indicate the rail service they perceive as important to their communities, with a view to requesting the Province to negotiate with the appropriate authorities for new, reinstated or supplementary rail services.

### Branch Lines, Discontinuance and Abandonments

- 5-6      The Task Force recommends that no rail line should be abandoned without a thorough study by the Province of its local impact and its role within the Provincial network.
- 5-7      The Province should investigate all existing and dormant branch lines in order to establish a policy position and justification for maintaining, abandoning or reactivating service in each case.
- 5-8      The Task Force recommends that branch line investigations should consider future needs in relationship to the entire rail network. These studies will result in the definition of an 'ideal' branch line network for Ontario.
- 5-9      The Task Force recommends that in cases of abandonment, studies should also include possible future needs in the areas of transportation, utility and transmission lines and recreational corridors for such sports as hiking and skiing and snowmobiling.
- 5-10     On the basis of these studies, abandoned rights-of-way which have a near term future railway use should be retained by the railways and all others should be transferred to the Province for a nominal sum.

- 5-11 | The Task Force recommends that the Province should establish a rights-of-way management program to administer any abandoned rail corridors in provincial ownership.
- 5-12 | Because some rights-of-way also bisect municipalities, the Province should assist the municipalities in putting to best use any vacant, underutilized or abandoned rights-of-way and facilities through the preparation of railway land revitalization guidelines.
- 5-13 | The Province should undertake a fact-finding reappraisal, concerning the need for rail passenger service in the Bruce area which might take the following form:
- (1) a 'once and for all' monitored experiment with a 'Budd' car, fares to be set at roughly half cost recovery, the remaining costs to be shared by the Province and the federal government;
  - (2) explore possible private operation of a selected line for passenger or shared passenger-freight use, along the lines of the New York State experience;
  - (3) involve VIA Rail, Transport Canada and the CTC in a passenger rail study, overlaying the results of the current Bruce freight network rationalization study.





## THE SPECIAL REQUIREMENTS OF NORTHERN ONTARIO



Long distances and a lack of transportation alternatives make rail an essential service in Northern Ontario.

**Northern community  
dependence on rail**

To the Government of Ontario, rail service in Northern Ontario has been a subject of policy initiatives, direct investment and operational involvement since the early days of this century.

To the railways themselves, the distances and the difficulties of construction and track maintenance because of the terrain and weather extremes have been a continuing challenge. It is in Northern Ontario that two of the Province's regional rail companies function: the Ontario Northland Railway, running from North Bay to Moosonee on James Bay; and the Algoma Central Railway, operating from Sault Ste. Marie to Hearst.

For the Task Force, the needs of Northern Ontario, and the links which connect the north with Southern Ontario, were the subject of extensive consideration.

### Access to Isolated Communities

Many of the communities along Canadian National's northern line between Capreol and Winnipeg and the Canadian Pacific line between Cartier and White River are rail dependent. Only about half of them are also located on hard-surface roads; others are accessed by long, circuitous road routes, some of which become impassable at certain times of the year. Others have no road access. Some with roads have no bus services.

Rail dependent communities have extremely fragile social and economic environments in which even minor changes to the rail system carry significant economic and social consequences.

The communities which would be most seriously affected by changes in the rail system are those trading centres and settlements with limited alternate means of transportation. Some of these communities have no local government and, therefore, no ready means of adequately voicing their concerns. The people who would be most

seriously affected by any changes to rail services include the elderly, low income groups, native people and others who depend upon rail for medical services, household goods, social and business purposes, schools and employment.

When the Canadian Transport Commission held hearings on its Final Plan to rationalize transcontinental service through Northern Ontario to three days a week from six, there was widespread public outcry. Public concern focussed on the need for a transportation system which would be convenient, affordable, reliable, secure and familiar and that would provide easy movement of people and goods through the Northern Region. An additional concern from these communities about the transcontinental service centred on loss of jobs in servicing the train.

Following the hearings, the CTC decided that the transcontinental would operate from September, 1980, for six days a week (seven in peak season) and that the service would be adjusted to permit more local scheduled stops. The local service would also be improved to allow more frequent service and longer local stops.

In rendering its decision on the required minimum level of service, the CTC recommended that:

"the concept of involving provincial and local authorities and organizations in the financing of regional services such as those between Sudbury, Capreol and Winnipeg be considered".

Essentially, this statement suggested that Ontario might wish to make a financial commitment to facilitate the provision of a higher level of regional services, if this was desired by the Province.

This report has already discussed the inability of the transcontinental service to meet, in an effective way, local service obligations. The needs of remote northern communities cannot be efficiently served by the massive transcontinental train operating through the night and early morning and oriented towards distant metropolitan centres.

Local needs require flexible, more locally-oriented services which can connect the traveller to other communities and transportation services within the region. Rail is an essential element of those services. An adequate level of service must be maintained in Northern Ontario, coordinated within a general transportation framework.

Consideration must also be given to the freight needs of the small northern communities where there frequently are special needs, as well as the normal light freight, mail and express requirements.

If separation of the transcontinental and local services is accomplished, the Task Force believes that sharing of the responsibility for local service between the railways and the Province is an option to be seriously considered. The railways are concerned because of continuing responsibilities to the residents, many of whom are railwaymen, active or retired, and their families. The Province is involved because the provision of adequate rail service is more economical than building parallel roads to link these communities, or providing some alternate form of public transportation.

The Task Force is also concerned with the state of communities which, lacking a local government organization, are in a poor position to respond to proposed changes in rail operations which could affect these communities.

Therefore, the Task Force recommends that the Province continue to intervene, on behalf of unorganized Northern Ontario communities, in any proceedings that deal with proposals to change railway services in Northern Ontario. The extent of provincial involvement will be determined by the effect of the changes as identified by community impact studies.

### Resource Industries

Beyond the special freighting needs of the small communities in Northern Ontario, there is the much larger question of service to the mining and forestry industries. To them, railways are the essential arteries for moving raw materials between mines, forests, processors, mills and customers.

#### Public protest

#### Local service obligations

#### Provincial involvement

#### Service to the mining and forestry industries

**Industry complaints**

This subject was discussed in the Interim Report and was the subject of considerable dialogue with the Task Force.

The Task Force was told that many operators feel that the freight rate structure is somewhat inconsistent and discriminatory in its impact upon the forest industry operators in Northern Ontario. The industry has indicated that the railways have become oriented to handling only that tonnage and those products which will bring the greatest return. Consequently, this limitation of service and the introduction of substantial rate increases are undermining the industry's economic ability to access major sources of raw material supplies.

The forest industry argued that the higher rates have not necessarily brought about improved service or additional cars to handle their products.

The shortage of rolling stock also causes considerable concern to the mining industry. This can effectively deter a company from opening a new mine, from increasing the productive capacity of an existing mine, or even inhibit its ability to market its products in an orderly manner.

These concerns cannot help but affect the competitiveness of Canadian minerals in the international marketplace.

Also of concern to the resource industries in Northern Ontario are railway company rules limiting reciprocal arrangements between rail lines. For example, the Task Force was told that the Algoma Central Railway has no lumber cars of its own and is not allowed to move CN cars on its track for United States destinations. Algoma Central apparently must rely on U.S. cars being available. Although the CN does have many lumber cars, Hearst forest industry companies maintain that the availability for Hearst mills is inadequate to meet their needs.

The Task Force believes that the level of railway service and the freight rates applied to particular industries in Ontario impair the extent to which these industries can compete in the marketplace.

Therefore, the Province should act on behalf of those resource industries that are adversely affected by high freight rates and poor railway service through monitoring the rates, assessing problems of rail service and attempting to influence change where required. Further, the Province should explore the required legal steps to provide for the changes which would enable any railway company's cars to operate on any tracks through reciprocity arrangements. This would allow customers to be served with suitable equipment over the shortest possible journey.

**Provincial financial support**

The Province should provide financial support in some form so that specific resource industries can achieve their needs for special purpose rolling stock. (Also see Chapter VII).

As part of the larger resource development effort, the Province should be prepared to invest in new railway infrastructure on a case by case basis.

The time sensitive aspects of the rate appeal process through the CTC should be improved, so that faster decisions can be made on freight rates where the commodity pricing fluctuates and is dictated by the international marketplace. This matter is discussed in detail in Chapter VII.

**The Ontario Northland Railway—A Unique Asset**

The Ontario Northland Railway, started in 1902 as a response by the Government of Ontario to the new mining developments and settlements in Northeastern Ontario, is a unique asset to the Province.

For many people in Ontario, the ONR is not well known. This is a tribute to its effective operation, having caused relatively few ripples on the waters of both railway and provincial politics in recent years while providing an excellent service to its users.

Although the original 'development' role may now have been achieved, Ontario Northland continues to perform an exceptional service for residents and industry of Northeastern Ontario and remains sensitive to their requirements.

Not only has the ONR been a link to Toronto and markets beyond,

**ONR—an excellent service**



it has been the 'main street' between North Bay and James Bay. It has been aggressive in providing service, whether passenger or freight. It moved quickly to convert to diesel locomotives from steam. Its Polar Bear Express to Moosonee is known around the world. And it introduced one of the most comfortable passenger train sets in North America, the Northlander.

Unlike the major national railways, the ONR does not exist solely to make a profit. Service to its communities as the 'people's railway' has been a basic tenet as it fulfilled its mandate to meet the transportation requirements of the region. But it does not have a blank cheque from the Province, and is thus compelled to exercise responsible management.

The Task Force is impressed with the nature of the operation of the ONR, and wishes to recommend that the ONR continue to be operated by the Government of Ontario as a distinct provincial rail system.

There are many advantages to maintaining the ONR as a provincially-owned railway. Among them is the ability to sensitively respond to the needs of the people in the area it has historically served. Another is its ability to provide a test bed for new techniques and technology, discussed in Chapter IX. A third is the ability to bring together the various transportation modes in an efficient, integrated transportation system by utilizing all of the resources available to the ONR's parent, the Ontario Northland Transportation Commission.

In addition to rail freight and passenger services, the ONTC provides bus, truck and air transportation, as well as telecommunications services, ferry operations and tourist-oriented rail and water activities.

However, the ONR is not without its problems, some of them derived directly from competition between its own rail, air and bus operations. Others, perhaps more serious, relate to the passenger service inter-relationships with VIA Rail.

When VIA Rail took over responsibility for the provision of passenger services in Canada, this responsibility did not include the passenger services provided by the ONR or those of intraprovincial rail carriers in other parts of the country.

Because of the unique nature of the ONR service, the Task Force recommends that any negotiations between the Province and VIA Rail concerning responsibility for passenger services in the Northeast Corridor should be undertaken independent of other passenger rail services which are not functionally connected. The level of service required by the communities now served by the ONR should not be jeopardized through negotiations that could involve other parts of the Province.

The Province should consider the acquisition of the CN route from North Bay south to Toronto, which carries only moderate local traffic. The line carries mainly people and goods to and from the ONR territory. There would be real operating advantages if this line, from Washago to North Bay and one of its extensions from Washago to Toronto, were under ONR ownership or control.

### **The ONR and ACR – Railways Like the Others**

The turn of the century saw attention being directed to railway building in Northern Ontario.

In 1899, the Algoma Central Railway was federally incorporated and thus falls under the jurisdiction of the Railway Act. The Ontario Northland was established in 1902 by provincial statute, and is generally subject to the Railway Act only when it crosses or interconnects with another federally-regulated railway.

CN, CP and VIA Rail are all eligible for federal funding, and are regulated under the Railway Act. The ACR and the ONR are both intraprovincial railways, and yet they are treated quite differently with regard to eligibility for federal rail support programs. This does not seem logical from the point-of-view of the region in which they operate or the services they provide.

Because it is federally-chartered, the total ACR system is under CTC control, and is eligible for federal rail support programs such as

Continuation as a provincial  
rail service

Acquisition of North Bay–  
Toronto route

Intraprovincial railways



passenger subsidies. The ONR, however, is only controlled by the CTC at its interconnection points and eligible for federal rail programs only from North Bay southerly.

It is the view of the Task Force that all common carriers be made eligible for any existing or future federal rail support programs, whether or not they fall under the jurisdiction of the Railway Act.

## RECOMMENDATIONS

### Access to Isolated Communities

- 6-1 The Province should continue to intervene, on behalf of unorganized Northern Ontario communities, in any proceedings dealing with proposals to change railway services in Northern Ontario. The extent of provincial involvement will be determined by the effect of the changes as identified by community impact studies.

### Resource Industries

- 6-2 The Province should act on behalf of those resource industries that are adversely affected by high freight rates and poor railway service by monitoring the rates, assessing problems of rail service and attempting to influence change where required.
- 6-3 The Province should explore the required legal steps to provide for the changes which would enable any railway company's cars to operate on any tracks through reciprocity arrangements. This would allow customers to be served with suitable equipment over the shortest possible journey.
- 6-4 The Province should provide financial support in some form so that specific resource industries can achieve their needs for special purpose rolling stock.
- 6-5 As part of the larger resource development effort, the Province should be prepared to invest in new railway infrastructure on a case by case basis.

### The Ontario Northland – A Unique Asset

- 6-6 The Task Force recommends that any negotiations between the Province and VIA Rail concerning responsibility for passenger service in the Northeast Corridor should be undertaken independent of other passenger rail services which are not functionally connected.
- 6-7 The Province should consider acquisition of the CN route from North Bay south to Toronto, which carries only moderate local traffic.

### The ONR and ACR – Railways Like the Others

- 6-8 The Task Force recommends that all common carrier railways be made eligible for any existing or future federal rail support programs, whether or not they fall under the jurisdiction of the Railway Act.



## RAIL FREIGHT



Integration of other modes with rail for long distance freight movements can result in substantial cost and energy savings.

While a continual erosion of passenger levels and service has taken place over the last thirty years, there has not been a similar decline in freight service.

Rail freight services are more efficient and rationalized than ever before, despite vigorous competition from truck, marine and air freight carriers.

The Task Force believes the marketplace mechanism should be encouraged to function to its maximum advantage in the freight sector of rail transport. Nevertheless, there are areas of concern to which the provincial and federal governments should turn their attention. There are also occasions when the Province should unhesitatingly intervene on behalf of the users and shippers, the community at large, or the rail industry itself.

The Task Force believes governments should take every step to enhance use of the rail mode for the movement of goods and commodities. This includes the active promotion of rail freight as an essential service, strategically important to the economic well-being of both Ontario and Canada. It should be further modernized, with early consideration given to the development of lighter, higher speed freight trains, electrified where practical. This is necessary if they are to operate along the same track as new generation passenger trains and take advantage of the recommended upgrading of passenger rail corridors.

### Rail Freight in Ontario

The freight component of the railway business accounts for about 85 percent of all rail revenue and nearly all railway profit. People as 'freight' are unprofitable. Not surprisingly, rail freight is the area of service where the railways have chosen to concentrate their attention and dollars. Capital improvements for modernization, specialization, new control techniques and enlargement of facilities have been largely dedicated to the freight component of the system.

**Freight traffic dominates the railways**

#### Railways are more fuel efficient

The requirement for rail freight services in industry is particularly important for the movement of bulk commodities, large or oversized equipment and dangerous products. The automotive, mining, steel, machinery, agricultural, forestry and chemical industries all use rail extensively, both as a means of receiving raw materials and of shipping finished products. Rail has particular economic advantages in the shipment of any low value high bulk product or commodity and has the advantage over marine of being available on a year round basis.

Railways are considerably more fuel-efficient than trucks in a majority of situations. Unit trains are up to four times more efficient when loaded to capacity. Trains can move truck trailers on flat cars (TOFC, or 'piggyback') with half the expenditure of fuel, provided the rail terminals are not too far out of a direct course.

Additionally, railways can be electrified, using power generated from coal, uranium, hydraulic and other non-petroleum sources.

Large lake vessels can be more energy-efficient than trains, but their margin of advantage in Ontario is reduced or eliminated by the circuitry of shipping routes (Thunder Bay to Montreal is 230 miles further by water) and by the closed winter season.

Rail is also the freight mode which is least affected by fuel price increases, in that fuel costs form a relatively small part of its total operating expenses. Hence, the rail shipper can expect a smaller rate increase due to a rise in fuel costs than will shippers using other modes.

#### Growth in truck competition

Up to the end of World War II, rail was the predominant land freight carrier in the country. With the general expansion of the provincial highway networks and the completion of the Trans-Canada Highway in 1962, the trucking industry has grown rapidly. In the period 1960-1975, the trucking industry tripled its share of freight operating revenues, primarily at the expense of the rail mode. Rail is still the dominant carrier in terms of total tonnage, hauling about twice as much as the trucking industry. However, because trucks tend to carry the smaller higher value shipments for which higher rates are charged, their total operating revenues are greater than those of the railways.

#### Major commodity flows

In 1977, Ontario's rail freight movements totalled about 1.4 million cars representing 81 million tons of freight. Of this total, 697,000 cars originated in Ontario (35 million tons) and 755,000 cars terminated here (46 million tons). Major commodity shipments originating in Ontario included manufactured goods (39 percent), mine products (36 percent), piggyback (11 percent), and forest products (8 percent). Terminating commodity shipments included mine products (32 percent), statutory grain and grain products (27 percent), manufactured goods (22 percent) and piggybacks (7 percent).

About 43 percent of the cars loaded in Ontario were scheduled for destinations within the Province, as opposed to 25 percent to Quebec and the Maritimes, 17 percent to the Western Provinces and 15 percent to U.S. An additional 3.70 million tons of freight passed through Ontario on its way from other provinces to U.S. destinations.

#### Railway freight corridors in Ontario

CN's major southern freight corridor extends from Montreal through Toronto to Sarnia and into Michigan and beyond on its subsidiary, the Grand Trunk Western. It has branches from London to Windsor and Hamilton to Fort Erie. CP's major east-west freight corridor serves the middle part of Eastern Ontario, and then roughly parallels CN's lines through Toronto to Windsor. CN generally runs 30-60 percent more freight trains through its corridor than does CP. CN lines are double-tracked in this corridor.

CN has two major northern freight corridors extending from Toronto and Montreal to converge at Capreol (Sudbury) and follow a common route north of Lake Nipigon to the west. CP's two corresponding lines extend from Toronto and Smiths Falls to converge also at Sudbury. From Sudbury to the Western Provinces, CP serves the southerly portion of Northern Ontario.

Apart from these major corridors, both CN and CP have a network of regional and branch lines that act as freight collectors and feeders to other parts of the Province. As well, both the Algoma Central Railway and the Ontario Northland Railway operate freight services in their corridors extending through Northeastern Ontario.



**Recent specialization of traffic**

In the last few years, the rail freight industry has made tremendous gains both in terms of tonnages hauled and overall profitability. Unit trains, specialized cars, piggyback and container services and more efficient utilization of infrastructure have combined with record shipments in coal, potash, steel, iron ore, and sulphur products to put both railways on a solid financial footing, in spite of the mounting losses in the transportation of grain.

There are significant problem areas in the rail freight industry, however. Notwithstanding the fact that the Province is criss-crossed with feeder, branch and regional lines, the railways continue to cut back on their networks and in specific services to shippers. The emphasis on long haul, bulk commodities and major shippers as the most profitable types of traffic has not been without adverse consequences for other forms of service such as short haul, small consignments, express shipments, etc.

**Side effects cause concern**

The net effect of this selective rail haulage may well be felt in increased highway traffic, greater energy consumption and more expensive transportation costs generally. To maximize the use of the rail system and decrease these costs, the railways can no longer proceed without challenge to eliminate branch line or specialized services to its clients. The Task Force recommends that the Province be particularly vigilant about the reduction of freight service on branch lines.

**Factors affect choice of transport****Intermodal Freight Potential**

The rapid growth in the trucking industry has occurred in spite of ton-mile charges that may be two or three times the equivalent rate for rail haulage. Many shippers use trucks for long distance hauls primarily because the truck mode offers door-to-door service which is often faster and provides greater flexibility than the competing rail service. In an Ontario government survey of shippers, the most important factors mentioned that affected choice of shipping mode were cost, speed of delivery, special commodity characteristics and immediate availability. Reliable pick-up and consistent on-time delivery accounted for 56 percent of the most important criteria for modal selection.

In many instances, the decision to employ truck transport rather than the rail mode is related to the absence of rail facilities at either the loading or the unloading point. As well, some shippers may have turned to truck haulage because of difficulties in railway car supply, an issue often raised by the forestry and mining industries.

**Advantages of intermodality**

While there is no doubt that both the trucking and the rail freight industries have important and divergent roles to play in the total transportation system, their roles can also be complementary. The intermodal terminal is designed to facilitate the transfer of highway trailers and containers to and from rail flat cars. A modern intermodal terminal is highly mechanized to minimize the delay in transfer.

The Task Force has identified intermodal freight services as one key to maximizing energy savings and the use of existing facilities to the benefit of both shippers and the railways. The provincial interest is also served by reduction of highway congestion and overall road maintenance costs.

A good intermodal network leaves consolidation of loads to the road mode and enables the railways to concentrate on line haul at high volume where rail has decided efficiency advantages. Governments should foster technological and design developments such as fully mechanized intermodal terminals with good highway access through which truckers can be induced to utilize rail for the line haul.

With reduction in terminal transfer times, combined with increasing fuel costs, the minimum break-even distance for piggyback haul will shrink significantly. Where volumes are low, consideration might be given to attaching premium intermodal freight cars to overnight passenger trains.

Because truck-rail intermodal services combine maximum flexibility for pick-up and delivery and customer service with maximum efficiency for long-haul energy savings and economy, the Task Force

#### Provincial support for intermodal services

recommends that the Province encourage the increased use of piggy-back or container services by:

- (a) providing loans or tax incentives as an inducement to the early construction of additional modern intermodal terminals;
- (b) providing convenient and direct highway access to all intermodal terminals; and
- (c) negotiating with railway and trucking concerns to develop cooperative intermodal services for the mutual benefit of both operators and their customers.

Where problems exist with respect to the availability of rail services to industries whose products could be more efficiently transported by rail, either shipping or receiving, the Province should extend grants, direct loans or tax incentives to encourage the provision of private rail sidings and containers or special loading equipment which would allow for more convenient access to the rail mode.

Where it is in the general interest of Ontario to alleviate rail equipment shortages which now inhibit access to rail services by specialized shippers, the Province should extend grants or other financial incentives to industry for the manufacture of these special purpose cars.

In addition, the Province should give consideration to establishing a pool of freight cars of several types to be owned by the Province. The pool would be used to relieve car shortages being experienced by Ontario shippers. Of special concern are the smaller shippers whose needs are intermittent and do not justify their own cars.

There is ample precedent for such action. The Governments of Alberta, Saskatchewan and the federal government own fleets of grain and potash cars. Ontario Hydro owns cars for transporting coal from Western Canada.

A provincial pool of cars could be used to balance local demand and supply through the establishment of a reserve of cars at several points throughout the Province. This would also help reduce the need for empty backhaul, which adds unnecessarily to fuel consumption and costs.

An additional attraction to the creation of an Ontario pool would be the stimulus given to the Ontario economy through the construction of cars incorporating the latest Ontario-developed innovations, such as radial-axle trucks and soft suspension. The extensive experience of such Ontario-based manufacturers of cars as National Steel Car Corporation, Procor Limited and Hawker Siddeley Canada Limited can be drawn upon in the design, construction, leasing and repair of cars.

#### A Provincial freight car pool

#### Is competition a reality?

##### Intra-Rail Competition and Freight Rates

From the point of view of the users of rail freight services, one of the most pressing questions is the degree to which real competition exists between the railways and the impact of this competitive relationship, or lack thereof, on the present freight rate structure.

The National Transportation Act of 1967 removed many of the regulatory restrictions on the railways and opened up the possibility of more competitive pricing relationships both between the railways themselves and between the railways and other transportation modes. The fact is, however, that competition as it exists in most other business operations does not exist in a practical way in rail freight operations.

There are a number of reasons for this which relate to the rail infrastructure itself. Shippers of bulk commodity items do not have any practical alternatives to the use of rail. Obviously building two or more competing railway lines to the same resource or industry would be largely self-defeating and would make all the lines uneconomic. In isolated northern areas with limited access to alternative transportation modes, rail must be relied upon to provide a wide range of freight services which in other parts of the Province is met by a mix of transportation modes.

Apart from these systemic reasons, institutional and legislative con-

### Railways may set joint rates

ditions exist which pose severe limitations to intra-rail competition. Although the National Transportation Act opened the way to increased price competition, Section 279 of the Railway Act gives the railways the right to meet behind closed doors and set common rates:

"Railway companies shall exchange such information with respect to costs as may be required under this Act and may agree upon and charge common rates under and in accordance with regulations or orders made by the Commission".

The rates and regulations governing interswitching between rail services, last changed in 1951, also operate to limit competition. Where shippers in large urban areas have access to both major railways, the four-mile interswitching limit acts to restrain this access and make many shippers captives of one or other of the rail lines.

Adding to these restrictions is a Canadian Transport Commission policy not to require railways to quote joint rates which take advantage of the most direct route between origin and destination over the rail lines of both carriers. As long as one railway has a 'reasonable' route over its own lines, it is free to oblige captive shippers to take that route whatever the cost and delivery time implications.

While regulatory structures protect the railways in Canada from direct competition with each other, other policies protect all Canadian operators from U.S. competition. Goods carried between points in Canada over rail lines in the U.S. are subject to a 30 percent tariff, thus making the route economically unattractive, even though the 'real' rate charges may be significantly lower.

### Doubts concerning degree of service or rate competition

Studies and reports on railway competition have provided inconclusive or contradictory results as to the degree to which competition actually exists. A 1977 report\* suggests that there is healthy competition in terms of services provided, rather than of rates. A more recent CTC analysis concludes that both rate and service competition between the two railways is limited, but that the 'potential' for service competition is greater than for rate competition.

The growth in the proportion of bulk railway traffic shipped by resource industries means that a greater proportion of total rail traffic is less subject to intramodal rail competition. Although no statistical base exists to demonstrate if prices are affected by this shift, the forest industry in particular is concerned by the setting of differential rates among products that have the same transportation and handling requirements, but different product values.

A 1978 CTC report summarizes the perceptions of Ontario's mining and forestry industries that less than one-third of the shippers perceived service competition. Even fewer reported strong price competition. In both cases, rail-rail competition was perceived to be considerably weaker than either rail-truck or truck-truck competition.

The negotiation and determination of railway rates is an extremely complex process, involving both inter and intra-modal competition, market competition, volumes, seasonal patterns and a wide range of other concerns. Understanding the process is both difficult and time-consuming.

### Province should monitor freight rates

The Task Force believes that the interest of the Province, shippers and the transportation system generally require the most effective inter and intra-modal competition possible. So that structural or legislative conditions which interfere with this requirement can be ameliorated, the Task Force recommends that the Province should monitor freight rates to identify cases of rate discrimination for both Ontario shippers and receivers.

The Task Force believes that collusion on rate setting negates the main value in having two separate railways and, therefore, is not justifiable. As one witness before the Task Force stated, "The shippers cannot get together to set their costs, but the railways can."

In a letter from the Metropolitan Toronto Board of Trade commenting on the Task Force Interim Report, Board Chairman A. R. Williams said:

"The Interim Report states that the law allows CP and CN to set

\*See Rail Task Force Interim Report, Working Papers, Volume III, p. 122"



their rates jointly behind closed doors. We agree that Section 279 of the Railway Act (which provides for the exchange between railways of cost information and for agreement upon and charging for common rates) requires review and possible amendment”.

Also in response to the Interim Report, Mr. R. B. Taylor of the Canadian Manufacturers' Association wrote:

“We acknowledge that price competition between the carriers is not readily apparent... Recent legislation in the U.S.A., which substantially eliminates regulation of railway rates also provides for removal of the anti-trust immunity which U.S. railways have enjoyed. In Canada when we removed regulation of railway rates in 1967, anti-combine immunity for the carriers was retained. We believe the retention of that immunity should be re-examined”.

The Task Force recommends that the federal government amend the Railway Act to ensure that the railways become subject to the terms of the Combines Investigation Act, rather than being allowed to cooperate in the setting of freight rates.

As described earlier, the Task Force believes that shippers should have access to the best routing for their customers using the most direct route over the lines of all railways in the same manner as road users have access to all roads. The Task Force recommends that the federal government adopt this principle and promote shared usage of tracks by all railway users regardless of ownership.

### The Rate Appeal Process

While appeal procedures now exist for shippers who are considered ‘captive’ to the railway mode, it is rarely used, partly because of the difficulty in proving ‘captivity’ and partly because of the time and costs involved in the appeal process itself.

There are two avenues through which shippers can appeal railway rates:

- Section 278(1) of the Railway Act through which shippers can appeal to have the CTC fix a probable range within which their rate should fall; and
- Section 23 of the National Transportation Act, which requires that shippers demonstrate a prima facie case of injury to the public interest before a consideration of redress can be obtained from the CTC.

This latter Act neither limits the definition of the public interest nor relates specifically to rates. It also applies to any action or omission by the carrier.

Although Section 23 is the most likely route for shipper appeals, the CTC has decided only five cases since the enactment of the National Transportation Act in 1967. All but one were decided in favour of the applicant. Nine other applications in the same period were discontinued prior to a hearing. Of the fourteen cases, one took almost seven years from the date of application to the date of decision. Others have taken three, four, and five years before either being decided or discontinued.

Because the burden of proof is on the shipper, and because strict rules of evidence and an adversarial system make legal counsel a necessity, the hearing process is expensive and time consuming. Technical delays and cross-examinations extend the process. Despite changes in 1978-79 to make it easier for a shipper to establish a case, shippers, carriers and provincial and federal government representatives all express dissatisfaction with the slow and costly nature of the proceedings.

CP Rail recently proposed a form of arbitration as an alternative to the present hearing process. The model consisted of a CTC-appointed chairman and arbitrator, assisted by two outside experts, with the railway and shipper concerned nominating one each. The tribunal would be obliged to hand down its decision within four-to-six weeks of the complaint being filed. The decision would be binding and final. Although there was widespread discussion of the proposal, there was little agreement as to the final outcome.

Railways should not be immune from anti-combines legislation

Present avenues of appeal

Appeals are expensive and time consuming



Rate appeal process must be improved

The Task Force believes that it is important that shippers not be subjected to inequities which may result from lack of transport competition or other factors. Further, it believes that shippers should not be unduly limited in their ability to seek redress by virtue of the cost or duration of the process. Therefore, the Task Force recommends that the Province request the federal government to both shorten and strengthen the process of appeal against excessive freight rates.

### **The Crow's Nest Pass Rates**

For many shippers, and captive shippers would certainly number among this group, rail rates are often set at levels designed to support the cross-subsidization of other commodities, such as the grain traffic. This raises practical concerns for the Government of Ontario when such rates reflect upon the competitiveness of Canadian products or resources in the international marketplace.

Railway losses on Crow rates are substantial

The Crow's Nest Pass Rates apply to the transportation of wheat, barley and oats by rail from Western Canada. Established 80 years ago, they were to provide grain delivery at rates which would allow farmers an adequate return on their investment and thus sustain an industry vital to the west and to the country. Inflation has made these rates unrealistic in recent years. The losses sustained by the railways in the movement of this grain continues to escalate, amounting to \$195 million in 1979.

Justifiably, railway management seeks to offset these losses through revenues from other parts of their freight system. To what extent these losses are reflected in other rate structures cannot be directly determined or separated from other cost dimensions and pressures. Nor is it likely that relieving the railways from the financial obligations posed by these statutory grain rates would produce a downward adjustment in other commodity rate structures. At the very least though, rates should level off for a substantial period of time.

However, the existing situation, in which so large a proportion of rail freight movements are grain, acts as a financial drain on corporate resources and is bound to be reflected in the railways' capitalization of their systems. Inefficiencies caused by less than optimum plant will continue to affect the intermodal competitiveness of the railways. To this extent as well, competing modal rate structures reflect less-than-perfect market forces.

Advantages of moving to normal rate structure

Moving to a grain rate structure that more adequately reflects true costs and market conditions has definite advantages both from the point of view of the railways and rail and non-rail shippers. Removing the financial drain will yield funds for needed improvements to rail plant which, in turn, will improve railway competitiveness and service to shippers. This also could stimulate innovations in transportation generally as other modes seek new competitive advantages, and could relieve some of the upward pressures on both rail and non-rail rates.

Moreover, the replacement of the Crow Rates by more direct farm support programs could improve Canada's international market capability not only for grain, but also for other commodities. The higher level of rail efficiency resulting from the improvement of rail's financial capabilities could produce faster deliveries and a higher delivery level. Shortcomings in these areas presently act to constrain the volume of grain sold abroad.

Federal government should seek other means for providing grain subsidies

For these reasons, the Task Force recommends that the Province urge the federal government to seek means of providing subsidies to shippers of grain which would be more appropriate than the current statutory grain rates.

### **Rail and the Resource-Based Sectors**

As discussed in Chapter VI, "The Special Requirements of Northern Ontario", Ontario's resource industries play an extremely important role in the economy of the Province. The forestry and mining sectors, in particular, contribute significantly to Ontario's Gross Provincial Product and, through exports, assist to reduce Canada's overall balance of payments deficit. They do not exist in isolation from economic

Transportation is a key element in resource development decisions

Mineral aggregates by rail

Provincial assistance for new rail infrastructure on a case-by-case basis

factors and problems that affect their competitiveness both within Canada and in the international marketplace. Energy prices, inflation, labour costs and other factors all have impacts on the viability of the resource sector as they do for other sectors.

The Province's economic objectives rely to a considerable degree upon keeping Ontario's industries competitive, in both the Canadian and international context. The continuous need to develop new resources and improve the economic viability of existing resource developments are reflected in a range of policies and programs geared to those specific goals.

As resource-based developments move ever further away from major population centres, a critical component in the decision to proceed with, or expand facilities, is the availability and cost of transportation links with the industrial sector or other product markets. For many such developments, rail must be the primary transportation mode both because of rail competitiveness in hauling bulk shipments and because of the environmental impact of noise, dust, congestion, disruption and weight in the utilization of road transportation.

The level of rail service, access to that service or high railway charges applied to particular industries in Ontario should not be allowed to impair the extent to which these industries can compete in the marketplace. Where such conditions exist, the Task Force recommends that the Province act on behalf of Ontario's resource industries by monitoring rates, assessing the problems of rail services and attempting to influence changes where they are required.

One particular product caught the attention of the Task Force. This is mineral aggregates, so essential to the construction industry. For a great many years, the gravel beds surrounding Metropolitan Toronto have been mined for sand and gravel. As these sources begin to come to an end, gravel is being hauled much further by truck, with all of the undesirable effects of such transport both in cost and environmental impact.

Mineral aggregates are a natural product for bulk rail freight. The need to bring these products much longer distances also suggests that the network of rail branch lines in Southern Ontario be closely examined to ensure that options for the use of rail are protected.

The Province should encourage the use of rail as the major transportation mode for the delivery of mineral aggregates over long distances.

As part of this encouragement and as part of the larger resource development effort, the Province should be prepared to invest in necessary new rail infrastructure on a case-by-case basis.

There are a number of rail policy implications for the Province with respect to the level of rail service to the resource sector and the removal of barriers to effective rail usage. Some of them have already been discussed in this report, such as financial support for the provision of special purpose rolling stock and improvements to the rate appeal process.

The net effect of these policies will be the improvements of rail transportation facilities and services to a segment of Ontario's economy that is extremely transportation-dependent in its ability to compete effectively.

RECOMMENDATIONS

- 7-1
- The Task Force believes governments should take every step to enhance use of the rail mode for the movement of goods and commodities. This includes the active promotion of rail freight as an essential service, strategically important to the economic well-being of both Ontario and Canada.
- 7-2
- The Task Force urges that the rail freight system continue to be modernized, with early consideration given to the development of lighter, higher speed freight trains, electrified where practical.

## Rail Freight in Ontario

- 7-3 The Task Force recommends that the Province be particularly vigilant about the reduction of freight service on branch lines.

## Intermodal Freight Potential

- 7-4 The Task Force believes that governments should foster technological and design developments, such as fully mechanized terminals with good highway access, through which truckers can be induced to utilize rail for the line haul.
- 7-5 The Province should encourage the increased use of piggyback or container services by:
- a) Providing loans or tax incentives as an inducement to the early construction of additional modern intermodal terminals.
  - b) Providing convenient and direct highway access to all intermodal terminals; and
  - c) Negotiating with railway and trucking officials to develop cooperative intermodal services for the mutual benefit of both operators and their customers.
- 7-6 The Province should extend grants, direct loans or tax incentives to encourage the provision of private railway sidings and containers or special loading equipment which would allow for more convenient access to the rail mode.
- 7-7 The Province should extend grants or other financial incentives to industry for the manufacture of special purpose cars.
- 7-8 The Province should give consideration to establishing a pool of freight cars of several types to be owned by the Province.

## Intra-Rail Competition And Freight Rates

- 7-9 The Province should monitor freight rates to identify cases of rate discrimination for both Ontario shippers and receivers.
- 7-10 The Task Force recommends that the federal government amend the Railway Act to ensure that the railways become subject to the terms of The Combines Investigation Act, rather than being allowed to co-operate in the setting of freight rates.
- 7-11 The Task Force recommends that the federal government adopt the principle of shared use and require equitable access to tracks by all railway users regardless of ownership.

## The Rate Appeal Process

- 7-12 The Province should request the federal government to both shorten and strengthen the process of appeal against excessive freight rates.

## The Crow's Nest Pass Rates

- 7-13 The Province should urge the federal government to seek means of providing subsidies to shippers of grain which would be more appropriate than current statutory grain rates.

## Rail and the Resource- Based Sectors

- 7-14 The Province should act on behalf of Ontario's resource industries that are adversely affected by high rail freight rates and poor railway service by monitoring the rates, assessing problems of rail service and attempting to influence changes where they are required.
- 7-15 The Province should encourage the use of rail as the major transportation mode for the delivery of mineral aggregates over long distances.
- 7-16 The Province should be prepared to invest in necessary new rail infrastructure on a case-by-case basis.





## ISSUES OF RAILWAY COSTING



The Provincial government should have access to railway costing information.

The costs involved in the transportation of goods and passengers through the rail system has always been an issue of public concern. Under competitive 'free-market' conditions, rates are normally established in the marketplace, but where competition is limited, rates must be controlled through other mechanisms. The Task Force has already acknowledged that competition has certain limitations in the rail transportation industry for physical as well as regulatory reasons.

### The Complexity of the Costing Issue

Whereas costing for goods and services in most industrial sectors is a relatively straightforward process, it becomes an extremely complex process in the rail transportation business. Factors such as the enormous investment in capital equipment and infrastructure, operational costs and return on investment requirements combine with a system of statutory rate restrictions, direct subsidy programs, capital equipment contributions, government-demanded service delivery, government-operated services, and the interplay of market forces. All these factors result in costing mechanisms and formulae which defy easy comprehension and analysis.

The expenses of a railway can be divided into two broad categories: those resulting from a particular haul or service; and those that are fixed in that they do not vary with the volume of traffic.

In determining the costs of a particular service or haul, both categories of expense must be taken into account. The actual cost includes the variable expense incurred as well as a proportion of the overall fixed costs of the system, allocated according to some fair and consistent principles.

The most exact method of defining this variable cost introduces a further element into the calculations: the difference between short-term variable costs and long-term variable costs. The former relates specifically to easily determined information on fuel use, labour costs,

Two broad categories for railway expenses

equipment directly required for that service, etc. The latter includes other cost elements which are subject to change over the long-term as an indirect result of the ongoing provision of that incremental service. Increasing the capacity of classification yards is one example.

The Canadian Transport Commission has defined these costs as: "the long-run marginal cost of output, being the cost of producing permanent and quantitatively small change in the traffic flow of output, when all resource cost inputs are optimally adjusted to change."

Long-term variable costs related to facilities, services and capital expenses are shared by many different types of traffic. Where the short-term variable cost can be applied specifically to the particular service or haul, the long-term indirect variable cost must be assigned on the basis of some statistical unit such as train hours, diesel unit kilometers, carloads, etc.

In addition to recovering these variable expenses for each traffic movement, both in order to comply with the law and to avoid financial losses, the railways must recover the remainder of their expense and earn a reasonable return on investment. This second component of the final rate structure is more dependent upon market conditions than the former. Here, the railways have considerable flexibility to charge "what the market will bear," subject to some statutory limitation and the protection of their competitive position.

One further cost element is the losses resulting from the transportation of grain under statutory grain rates. However, this 'markup' cannot be applied against many traffic sectors, either because regulations prohibit it, as in the case of VIA Rail services or subsidized branch line operations, or because competing modes impose limits on rates that can be charged. Thus, railways must recover their contribution requirements from those traffic sectors that can best bear the higher rates. 'Captive' traffic falls into this category.

The Railway Act limits the rate that railways can charge to captive shippers to 2.5 times the variable costs of the haul. However, as discussed in an earlier section, this limitation is only enforced by the CTC when the shipper requests a rate appeal hearing. The concern of these shippers lies with the fact that the railways are free to determine how they derive their revenues from various customer groups, and may place high markups on particular traffic movements even though overall profit levels remain low.

The acceptable methodology for arriving at the various costing formulae for railway operations has been defined through CTC costing orders and costing manuals prepared by the railways and approved by the CTC. In arriving at rate calculations, the railways may use methods different than those contained in the costing manuals as long as the end results are within specified limits.

Despite the complexity of arriving at costing formulae and producing cost information under the present rail transportation system in Canada, such information is an essential component of the regulatory process and the very basis for government subsidy payments.

The need to protect captive shippers from exorbitant freight charges requires that the CTC judge with some degree of accuracy whether or not applicable rates are fair and reasonable. For this, the CTC has developed an expertise which enables it to carry out a detailed analysis of how the railway arrived at the rate in the first place: the apportionment of variable cost, fixed cost and contribution or markup to the specific service being provided. The difficulty is that shippers also need to have some means of determining if those costs are excessive in order to decide whether or not to appeal to the CTC. The expense and time delays incumbent upon such appeals are not justifiable unless shippers can anticipate a successful action. As noted in Chapter VII, few shippers can afford to do this.

Under the terms of the Railway Act and other legislation, the federal government pays subsidies to the railways for the provision of some services and service levels deemed to be in the public interest. When the Canadian Transport Commission requires a railway to continue service on uneconomic branch lines, the railway is entitled to a subsidy

Statutory upper limit on rates

The importance of costing information

#### Government negotiation for rail service

equal to the difference between variable costs and revenues for as long as it is required to continue the service.

The federal government pays all losses associated with the operation of VIA Rail. Both VIA operations and the railway charges for VIA operations on CN/CP track must be subject to government scrutiny, since VIA is required to pay the railways only the variable costs associated with such operations.

With the federal government backing of VIA Rail services and the Ontario-supported GO Transit system, a new factor has entered the rail costing environment. This is the contractual arrangements between the railways and government-operated services. The need for relevant and accurate costing information to serve as the basis of negotiations between a government agency on one hand, and a Crown Corporation on the other, is a subject of real concern to the Province. Provincial objectives notwithstanding, a federal crown corporation should not be able to make a profit from the provision of a service essential to the provincial interest.

#### Railway Act limits access to costing information

#### Disclosure of Costing Information

In order to better protect the competitive position of the railways, the Railway Act safeguards the confidentiality of commercially-sensitive railway information. However, it does give the Canadian Transport Commission the discretionary powers to release such information where it is necessary or desirable to do so. Under a 1975 amendment to the Railway Act, the railways are further required to disclose their costs to the federal Minister of Transport at the request of a provincial government; the Minister may, at his discretion, transfer that information to the Province as long as the Province maintains confidentiality.

#### Railways oppose disclosure

The railways have continued to oppose any increased disclosure of railway accounting and cost-related data. They maintain that an increase in disclosure would be harmful in two different respects. First, it would create an imbalance in cost disclosure requirements among the various transportation modes. Secondly, it would give unfair advantages to both customers and competitors of the railways, thus influencing the rate negotiation process to their detriment.

The railways further justify their position under the terms of the National Transportation Act, which states that:

"Regulation of all modes of transportation will not be of such a nature as to restrict the ability of any mode of transport to compete freely with any other mode..."

The railways maintain that releasing such information would restrict free competition since it would put the railways in a position not required of either the trucking or marine industries. Further, the railways argue that sufficient statutory mechanisms already exist for release of railway costing information to the appropriate agencies and levels of government, and that ad hoc arrangements can easily be made with respect to special purposes such as Commissions of Inquiry.

#### Government's right to information

The position of the railways conflicts with a general trend by governments in Canada towards freedom of information. Since the public indirectly contributes to railways through various subsidy programs, it is argued that the public has a right to this basic information even if only to assess the effectiveness of the government programs to which it contributes its tax dollars. In the United States, much railway costing data is available to the public.

#### CTC position

The limited right of access to railway costing data in Canada has repercussions for the operations of a service such as VIA Rail. VIA maintains that such disclosure is critical to the management of rail passenger services and, therefore, is in the public interest. VIA is presently dissatisfied with existing contractual relationships with the railways since the latter's cost estimates for the provision of VIA Rail services are usually exceeded and additional year-end bills presented. In 1980, those additional costs are estimated to be in the order of \$20 million. VIA considers that it does not receive sufficient information to justify or explain these adjustments and is placed in a position where it must rely upon the CTC to certify the correctness of invoices it



receives from the railways. The backlog of claims can take up to two years to settle.

In recent hearings of the Railway Transport Committee of the CTC to examine the question of confidentiality of costing data, the Committee reaffirmed its authority to decide what railway data must be kept confidential and what should be disclosed to the public. In spite of interventions by public groups and many provincial governments including Ontario, the Committee ruled on November 1, 1980:

"As to the release of confidential information, the Committee will continue to address specific cases as they arise keeping in mind the general trend towards maximum possible disclosure of such information to the public."

### Provincial Requirements for Costing Data

The Government of Ontario has an interest in costing data and railway costing methodologies for a number of reasons. Because many users of rail services are 'captive' shippers, the Government of Ontario should be in a position to assist these users in any proceedings dealing with rail rates, especially if potential losses of business or employment are at stake within the province. The ability to both monitor freight rates and intercede in review processes is dependent upon access to the relevant information.

This same information is required for intelligent input to any processes which result in Canadian Transport Commission decisions or Transport Canada policies that affect the shape and nature of the transportation system within Ontario. The Province needs to develop the understanding required for informed intervention. It should also seek ways to minimize the societal cost impacts of user decisions to switch to other transportation modes because of high or non-competitive rail rate structures. For the Government of Ontario, this is critical, since it is responsible for highway development and maintenance and for controlling environmental or other factors which create problems.

When financial assistance is provided by the Province for rail improvements or acquisitions, the Province must be in a position to determine the extent to which this assistance is reflected in subsequent rate structures and service delivery. Problems in making this determination increase where assistance relates to both immediate service delivery and contributions to the railway's overall system. Such would be the case if the Province were to subsidize the electrification of that part of CN's system used to provide the GO Transit service.

To assume all of these roles, the Province requires direct access to an up-to-date base of railway costing information. The Task Force recommends that the Province seek amendments to existing federal legislation to ensure that railway costing information now available to the Minister of Transport and the Canadian Transport Commission be made freely accessible to appointed representatives of the provincial government. This should be available without the time-consuming necessity to apply and justify such informational requirements through the Minister of Transport.

In addition the Task Force recommends that the federal government ensure, through appropriate regulations, that railway company charges to publicly-supported rail passenger services be restricted to a level no higher than that railway's direct cost of providing that service.

Reasons for Provincial  
interest

Protecting a financial stake

Costing data should be freely  
accessible to Province

Limit on railway charges  
for government supported  
passenger services

## RECOMMENDATIONS

### Provincial Requirements for Costing Data

8-1

The Task Force recommends that the federal government amend existing legislation to ensure that railway company costing information now available to the Minister of Transport and Canadian Transport Commission is made freely accessible to appointed representatives of the provincial government sworn to secrecy. This should be available without the time-consuming requirement for application and justifi-



- 8-2 cation through the Minister of Transport.
- The federal government should ensure, through appropriate regulations, that railway company charges to publicly-supported railway passenger services be restricted to a level no higher than that railway's cost of providing the service.



## RESEARCH, DEVELOPMENT AND ECONOMIC OPPORTUNITIES



Ontario's industrial base provides a ready springboard for production of advanced rail technology.

Throughout this report, the Task Force has emphasized the need to reinforce the Ontario railway system to benefit the economies of Ontario and Canada.

The Task Force was told of rail-related problems encountered by the forestry and mining industries. Manufacturers approached the Task Force complaining of freight rates which discriminated against the use of Ontario ports. Captive shippers told of being forced to lease or purchase cars for their own use or provide ten-year guarantees of use. There were reports of shortages of certain types of cars, of cars withdrawn without notice or not available when the market was at a peak. The railways were accused of being interested in high tonnage and products which will bring the railways the greatest return, with limited concern for the particular needs of the small shipper.

Balancing these comments are the strides made by Canadian railways to modernize, put themselves on a sound financial footing and provide specialized services to key industries.

### A Key Element of the Economy

There can be no doubt that the railways serving Ontario are strategically important for the continued economic health of this Province. While they have been challenged by trucking and have withdrawn from direct competition in many communities, they still provide a backbone service to our economy. The Task Force believes that in a petroleum energy-short world and with a new generation of railway development, the impetus provided by rail in creating a strong economy will accelerate as we move into the next century.

The Task Force is mindful of the important role played by rail in Ontario's export market, both for raw and semi-processed base re-

sources and finished manufactured products such as automobiles. Only at its peril would Ontario allow policies to be developed which could undermine access to the United States for rail freight and passenger services. This means that, in whatever changes are made in the rail system, equipment must remain compatible with the United States railways so there can be ready interchange.

In addition, it is strategically important that existing links with the United States be maintained, enhanced and well-used, with particular attention being given to the importance of the railway border connections. Because of the nature of the Ontario-U.S. boundary, all are water crossings, by bridge, tunnel or ferry. None of these trans-border gateways should be allowed to languish.

The importance of rail service to the economy of communities was also emphasized in submissions to the Task Force. Thus, it is important to carefully examine the existing and dormant branch line network in Ontario when developing a Master Rail Plan for the Province.

The Task Force was particularly stimulated by the opportunities the development of new rail technology could have for the economy of the Province – not just in its use, but the industrial benefits of establishing Ontario and Canada as world leaders in rail technology.

It is appreciated that considerable innovation already has taken place or is in the developmental process now. However, the greater part is of a short-term nature and will not result in major breakthroughs to a new generation of energy-efficient, high speed passenger or freight systems.

Frankly, insufficient effort is being made. The pace of research and development must be accelerated. Leadership, seed money and the courage to take developmental risks is required at the federal level.

In the chapter dealing with electrification, the potential of the hydrogen fuel cell as a power source for rail is explored. This is an opportunity which can be exploited, using the facilities already located at the Urban Transportation Development Corporation (UTDC) near Kingston.

Many aspects of the wheel-on-rail technology for urban transit developed by UTDC and others can be applied to the rail system generally.

### **Rail Technology**

Major technological changes have revolutionized the rail transportation system in the past and continue to do so to this day. The best example of the impact of technology on the rail system is the development of rail motive power.

In North America, steam engines provided motive power for about the first 100 years. With the advent of the two-stroke diesel engine, virtually all steam locomotives disappeared within the space of about fifteen years. The first-generation diesel locomotives had less than 2,000 horsepower capacity. The invention of the exhaust-driven turbocharger 20 years ago has resulted in the production of newer locomotives with double, and even triple, the capacity of these earlier units.

Intensive efforts are being made towards increasing the fuel efficiency of the diesel locomotive, even though it appears inevitable and desirable that partial or even complete electrification of the main rail lines will occur. Electronic wheelslip control systems under development by CN Research will improve the usable tractive effort of diesel locomotives by almost 15-20 percent under most service conditions.

Improvements in engine design, lighter, more reliable components, reductions in loads imposed by auxiliary equipment and improved operating procedures such as lower idling speeds, field shut-down, and changes to the way multiple-unit diesels operate in tandem will make diesel locomotives more fuel efficient. The development of a four-stroke diesel engine and the continuing search for alternative fuels for locomotive use are also being actively pursued as options to increase the fuel-efficiency and operational effectiveness of contemporary motive power.

North American rolling stock has also seen significant changes. A

Twin benefits of new technology

Limited level of research and development

Motive power development

Changes in freight cars



steady increase in the size of individual freight cars, the introduction of such specialized car designs as hopper cars and container cars and a growth in the use of unit trains have improved hauling capacity.

Although the increasing length and weight of trains have had negative impacts on the rail, there is now an attempt to resolve some of these problems. The radial axle truck where the wheels of the freight car can align themselves to the curvature of the track, the reduction in tare weight through the development of lighter alloy car bodies, and changes in vehicle suspension to reduce the dynamic load imposed on each individual wheel promises to reduce the excessive wear on track. Development of advanced-design bimodal cars, such as the RoadRailer which is equipped with both railway and highway wheels, will reduce loads on the rail and improve intermodal freight services.

#### Trends in rail passenger equipment

Passenger rolling stock in Canada is generally older than, and of inferior design to, that used on rail systems elsewhere in the world. This is due both to the needs for passenger stock to conform to freight car operating standards and to the fact that passenger services have not received the same high priority as in other countries. The Turbo-train and the new light, rapid and comfortable (LRC) train are limited technological developments with similar performance characteristics to the standard fleet. They are more comfortable, reliable and faster than current North American stock, but are limited by weight and the need to conform to present track design.

Over the longer term, passenger trains have to undergo significant technological changes. Electrification could revolutionize passenger rail services in this country as it has done in the rest of the world. More radical changes, in the form of magnetically-levitated vehicles which would replace wheel-on-steel technology, are now in the developmental stages in Germany and Japan. Ontario has a form of magnetic propulsion in the advanced stages of development, although it has been designed specifically for commuter transit systems. Hydrogen fuel cells also offer longer-range potential.

#### Track improvements

Changes to the track itself will also improve rail service effectiveness. Continuous welded rail is gradually replacing jointed rail. Laid in continuous strips up to one quarter mile long, CWR reduces maintenance costs and improves vehicle ride quality by eliminating joints and problems caused by broken joint bars and bolts and the uneven meeting of joint surfaces. Standard highcarbon rail is also being replaced by special alloy and heat treated rail to improve resistance to wear.

Concrete ties provide a track that requires less maintenance than a track laid with the timber tie in standard use across Canada. Concrete tie designs are being developed which will perform well under Canadian environmental and operating conditions, and will replace wooden ties in areas where quality hardwood is not available for use. With concrete ties, a more rugged and durable rail fastener is used which further reduces track maintenance.

These improvements to track structure serve a three-fold purpose: simplified track maintenance, easier maintenance of rolling stock and locomotives in use on the track, plus increased reliability and safety of train operations. Highly sophisticated machinery is now available for replacing rail and installing ties in one continuous operation. Replacing a variety of cranes and other machinery, equipment like the Canron rail changeout machine used by CN Rail, can replace 15,000 feet of track in a ten-hour period. As well, high technology inspection and monitoring equipment is rapidly coming into use to replace lengthy and labour-intensive track maintenance operations with fast, accurate, and consistent automated inspections.

#### Signalling and control equipment

Signalling and control equipment has entered the computer age. Computer-assisted train dispatching reduces the need for additional infrastructure investment by making maximum use of existing systems. Microprocessors, fibre-optics, and specially-designed closed circuit television equipment will improve on-train signalling capabilities, individual train control and fully automated car identification and problem diagnosis.

The application of new technologies will continue to increase the

reliability and capacity of the existing rail transportation network. However, this will require intensive research and development efforts on the part of both the railways and the government, if Canada is to be served by a modern, efficient rail system.

### Railway Research and Development

The development of new technology to meet the needs of Canada's rail systems is a continuous industrial task. New processes, materials and designs have revolutionized the railway industry over the last ten years and will continue to do so. However, Canadian research and development activities in the rail transportation industry have been extremely limited. Innovative research activities have been subject to an inertia, although some successful technological adaptation activities have taken place.

The limited scope of Canada's research and development effort in the rail transportation sector parallels the lack of emphasis in Canada for R&D generally. In 1977, when Canada's Gross National Product was about \$210 billion, about 20 percent of total GNP was provided by transportation or transportation-related activities. Yet, only \$174 million was spent on transportation R&D, and only \$10.44 million on rail-related R&D. This represents a research and development effort of roughly two hundredths of one percent of total transportation-related GNP, an insignificant figure at best.

If Canada is to compete in the international marketplace, the level of activity relating to rail research and development must increase dramatically and be sustained over the long-term. Britain, France, Japan and other countries support very strong levels of research and development. Their domestic rail systems and international activities demonstrate the contribution that research and development has made both to transportation infrastructure and national economic health. The scope of this effort has been quite broad, extending into long-term fundamental research as well as applied development programs. As previously noted, our efforts in Canada have been aimed primarily at resolving shorter-term problems to the neglect of broader, more innovative technological advances.

Canadian and Ontario-based rail related industries play a role in the export market. Between 1972 and 1978, the value of Canadian railway supply industry exports averaged about \$140 million annually. In the field of advanced rail systems development, Ontario industries are equal to foreign competition as suppliers of high technology hardware. To improve this performance, and take advantage of growth potential in the export field, more intensive research and development activities are essential.

In order to service our domestic rail technology requirements, increase the safety, attractiveness and productivity of Canadian railways, and capture a larger portion of the sizeable export market, government must encourage the development and maintenance of high-technology industries and general industrial capabilities.

The Task Force recommends that there should be a strong federal government commitment to support and encourage a level of railway research and development at least proportional to the research and development share of the economy as a whole. The federal government has indicated a desire to increase the proportion of GNP spent on R&D to 1.5 percent from 1 percent by 1985. This should be reflected in a significant increase in rail-related R&D. Any discussion of railway research requirements and priorities must involve the full participation of the railway industry.

Direct government research and development efforts should be addressed to long-term strategic planning and projects with uncertain paybacks. To avoid duplication of effort, this should be done in consultation with provinces like Ontario which have already undertaken projects in related fields.

Through tax and other incentives, government should encourage the railways, the manufacturing industry and others in the private sector to research those technological developments with lower risks and shorter payback periods.

Level of support for rail R&D in Canada is insignificant

Importance of rail related industries

Need for increase in rail related R&D

Government involvement

Remove "Buy America Act" restriction

Government incentives towards increased research and development should be concentrated on the high technology industries such as communications and control.

Railway research projects leading to greater fuel and operating efficiencies should be actively supported. These projects would include the development of more fuel-efficient engines and new rolling stock with significant reductions in tare weight.

In order to assist Canadian industry to compete in overseas markets, the Province should assist in the demonstration of new rail technology developments in the domestic market as a showpiece for export sales.

The Province, along with the federal government, should take all possible steps to negotiate the removal of the restrictions in the "Buy America Act" as they apply to the export of railway technology to the United States.

In the discussion of electrification in Chapter X, the Task Force describes industrial opportunities for the Province arising from electrification of the railway system. These opportunities stem from both conventional electrification and the development of the hydrogen fuel cell. The Task Force envisages a new industry developing which will make this Province the centre of the next generation of rail motive power.

Discussed in Chapter VII is the need to establish a provincially-owned pool of freight cars of several types. Developing such a pool would also be a stimulus to the economy by providing significant orders to Canadian car builders, jobs for the car-builder employees, and demonstration and utilization of Ontario technological innovation.

### Ontario Rail Centres of Excellence

Ontario equipment suppliers

Ontario can make a valuable contribution towards strengthening rail research and development. It is the home of major component manufacturers such as the General Motors Diesel Division in London where locomotives are manufactured, Procor's tank car plant in Oakville, the Hawker Siddeley car plant in Thunder Bay, and National Steel Car in Hamilton.

The Task Force recommends that the Province should designate at least four mutually-reinforcing centres of innovative railway excellence, and encourage development in those centres leading to major export potential in the rail transportation field.

Kingston

Each of the centres identified has the capability to be a nucleus for design and development of various aspects of new rail technology.

One centre of excellence is Kingston, where the Urban Transportation Development Corporation has established its test facilities. To date, UTDC largely has specialized in urban rail transit, but its skills have application in the wider railway field. Work on commuter rail innovations for TATO, using UTDC facilities and expertise, has already begun. Ample space is available to locate other rail research, development and manufacturing facilities adjacent to existing UTDC facilities.

The Kingston centre is further complemented by the proximity of Queen's University and of Canada's eminent rail-oriented 'think tank', the Canadian Institute of Guided Ground Transport.

Thunder Bay

The second centre of excellence is Thunder Bay, where Hawker Siddeley has pioneered advanced passenger rolling stock design for both railway and transit systems, such as the bi-level commuter car for GO Transit. The Province should encourage further achievements in this field.

London

The nucleus of a third centre is the London-St. Thomas area, where General Motors Diesel Ltd. is located. This plant already specializes in the building of diesel locomotives for the domestic and world markets. There is an early prospect of demand for both diesel and electric locomotives of advanced design to meet changing requirements favouring energy efficiency, light-weight and speed. There are important rail servicing facilities in nearby St. Thomas. The Province should encourage and facilitate preparations in this third centre to meet the design, production and foreign marketing challenges ahead.

North Bay

The Task Force proposes a fourth centre for the nurturing of innovation and the demonstration of promising new technology. This is North



## ONR as a test bed

Bay, where Ontario's own Ontario Northland Railway can be used as the test bed and for marketing demonstration of new technology.

The ONR has well-equipped shops at North Bay and a roadbed extending north to Moosonee through varied zones of climate, geology and topography. North Bay is the hub of an efficient regional system from Lake Ontario to James Bay. It handles both freight and passenger traffic, including the heaviest of rolling stock (ore cars) and the most exotic of passenger trains (the Northlander). At the same time, the ONR is of modest size, manageable and unencumbered with through traffic.

As a test bed, the ONR is well situated to bring advanced prototypes up to operating standards, suitable for domestic deployment and foreign sale.

A centre at North Bay would bring the 'test and adapt' function necessary for attaining full reliability under extreme operating conditions. It would also assist in identifying new avenues of research and development, based on the northern operator's perception of special needs and opportunities.

The Ontario Northland Transportation Commission, which operates the ONR as well as air, bus, trucking and marine arms and telecommunications, has the resources to demonstrate and exploit the advantages of a truly intermodal transportation system. Facilities for expediting transfer between modes should be among the first demonstrations by the new centre.

Because the Ontario Northland Transportation Commission is an agency of the Ontario Government, the assumption of ONR of special responsibilities for improving rail technology could be readily facilitated.

## RECOMMENDATIONS

### Railway Research and Development

- 9-1 There should be a strong federal government commitment to support and encourage a level of railway research and development at least proportional to the research and development share of the economy as a whole. Any discussion of railway research requirements and priorities must involve the full participation of the railway industry.
- 9-2 The Task Force recommends that direct government research and development efforts should be addressed to long-term strategic planning and projects with uncertain paybacks.
- 9-3 Through tax and other incentives, government should encourage railways, the manufacturing industry and others in the private sector to research those technological developments with lower risks and shorter payback periods.
- 9-4 Government incentives towards increased research and development should be concentrated on the high technology industries such as communications and control.
- 9-5 The Task Force recommends that railway research projects leading to greater fuel and operating efficiencies should be actively supported. These projects would include the development of more fuel-efficient engines and new rolling stock with significant reductions in rare weight.
- 9-6 The Province should assist in the demonstration of new rail technology developments in the domestic market as a showpiece for export sales.
- 9-7 The Province, along with the federal government should take all possible steps to negotiate the removal of the restrictions in the 'Buy America Act' as they apply to exports of railway technology to the U.S.A.

### Ontario Rail Centres of Excellence

- 9-8 The Province should designate at least four mutually reinforcing centres of innovative railway excellence, and encourage developments in those centres which will lead to major export potential in the rail transportation field.



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## RAILWAY ELECTRIFICATION AND ALTERNATIVE FUEL STRATEGIES

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Ontario's abundant electrical energy can help make the rail system more efficient and save scarce oil.

As directed in its Terms of Reference, the Task Force undertook a special study of the use of electrical energy and other alternative fuels for Ontario's railway network.

It is convinced that the 1980's will witness the beginning of a major shift from oil to other energy sources for the powering of trains in Canada.

Pressures for the shift extend beyond rising oil prices and the need to conserve oil. They include the desire for enhanced train performance, quieter operation, higher availability and reduced running and maintenance costs. In addition, there will be industrial benefits if Ontario and Canada can successfully demonstrate the use of electrification or other technologies in the modern North American rail environment.

### Why Electrify?

Electrified railway operation has a long history, dating back to experimentation in Germany and Switzerland in the 1870's and 1880's. The first main-line electrification was in the United States where the Baltimore and Ohio Railway electrified a 5.5 kilometre tunnel operation in 1895.

In Ontario, the first electrification occurred in 1906 to resolve the ventilation problems posed by steam engines operating through the tunnel under the St. Clair River at Sarnia. Conversion to diesel locomotives in the 1950's eliminated the problem and the tunnel is no longer electrified.

There are over 155,000 route-kilometres of electrified railway throughout the world. Including an additional 5,000 kilometres of transit line electrification, this represents almost 13 per cent of the world's total rail routes. Normally, high utilization is required to economically justify the conversion to electrification. Therefore, lines carrying heaviest traffic are among the first to be converted.

Interest in, and conversion to, electrification overseas continues at a

#### Expansions to electrified network in Europe

rapid pace. Because of increasing oil prices and impressive developments in electrification technology, additional railway administrations are seriously considering conversion from diesel.

Virtually every country in Europe has substantial electrified mileage and is adding to it. A ten-year plan in France has the objective of bringing electrification to 85 per cent of mainline passenger service and 88 per cent of freight service as well as all Paris suburban travel by the early 1990's. West Germany, Finland, Italy, Bulgaria, Spain, Yugoslavia, Russia and Great Britain are all planning, or have under way, significant expansions to their electrified networks. Japan's principal electrified route now moves over three-quarters of a million passengers a day at speeds up to 260 kilometres per hour, and is growing.

#### U.S.A. interest

In the 1930's, the United States had more electrified trackage than any other country in the world. Interest in electrification declined with the advent of the diesel-electric locomotive which was considered to be more appropriate for North American conditions. An influencing factor was the plentiful supply of inexpensive petroleum-based fuels. Because of changing economic and energy-related conditions, the U.S. is again examining electrification, especially in the Northeast Corridor and in corridors carrying heavy through freight traffic.

#### Numerous studies in Canada

Canadian railways have been studying electrification for almost 100 years. Canadian Pacific examined the question first in 1895, with other studies following in 1911, 1915 and 1924. Canadian National, which has operated an electric suburban system in Montreal since 1915, has been studying portions of its mainline for almost 20 years. More recent studies have been carried out by both railways within the last fifteen years.

A benchmark study was undertaken by the Canadian Institute for Guided Ground Transport in 1976. It concluded that electrification of certain lines would be economically justifiable even at present levels of traffic.

#### Advantages of electrification

Where electrification is technically feasible, it can bring numerous operating and financial advantages to the rail system. These stem primarily from motive power that is not limited in capacity by allowable weight, as weight limits the built-in power resource of a diesel locomotive. Only in the starting phase, and at very low operating speeds, does the electric locomotive face the same limitations as the diesel. Even those limitations are being overcome with present electric technology.

The advantages of electric power translate into fewer locomotive units to handle the same volume of traffic. Where two diesel locomotives are now required in fast passenger service, they can be outperformed by a single electric locomotive. The consequent reduction in total train weight means that there is less expenditure of energy in acceleration, running and braking. It reduces track maintenance costs as well, since the lower the weight of trains, the slower the rate of rail wear.

The ability of an electric locomotive to be 'overloaded' for limited periods of time has significant operating benefits in terrain where short bursts of exceptional power are required to climb gradients, as well as to regain top speed after slowing through curves or after other delays. From the passenger's perspective, the reserve of power acts to reduce journey times.

The advantages of electrification are not those merely of substituting an assured form of energy for a problematic one, important as this is. The enhanced train performance which electrification makes possible can increase rail's share of certain markets, and so reduce the necessity for oil consumption by less energy-efficient oil-captive modes. For example, reduced reliance of Japanese travellers on cars and aircraft for movement in the Shinkansen rail corridor – a 663-mile system through Japan's heartland – is estimated to save 40 million barrels of oil in a single year.

The advantages of electrification are not the same for all types of traffic. They are least for slow heavy freight trains of bulk commodities, except in difficult terrain. Since the superiority of electric traction increases with speed, the advantages are most pronounced with fast,

medium weight trains, such as corridor passenger trains, express freight trains and commuter trains.

### Problems and Costs Related to Electrification

The success of electrified operations elsewhere in the world does not necessarily guarantee that they will be equally as successful in Canada. Canadian trains are much longer and heavier and travel far greater distances than most Japanese and European trains. In Europe, trains seldom weigh more than 2,000 tons, while in Canada trains can weigh 10,000 tons.

In Canada, too, the railways place emphasis on freight movement as opposed to passenger services. That emphasis is just the opposite on most systems which have been electrified. These and other factors which have been responsible for the general evolution of a Canadian pattern of railway operations mean that a simple transfer of western European technology may not be sufficient for Canadian requirements.

Conversion of large parts of the system to electrification will only be accomplished with some difficulty. Many overhead restrictions, such as bridge and tunnel clearances, have been built into the present system. They will have to be modified to allow for construction of the catenary, which carries the electricity to power the system. Further, where track design has been altered to accommodate slower, heavier freight trains, simple conversion to electrification will not eliminate the speed limitations posed by the geometry of the track itself.

The capital investment required to electrify is substantial. The financial burden is immediate and large. The direct costs of converting each mile of track vary considerably in relation to terrain, curvature, gradient and other factors. It has been estimated by different authorities from as little as \$246,000 to as much as \$1 million a track mile at current Ontario prices.

From a public perspective, the wider and longer-lasting benefits of electrification justify more serious and immediate attention to this alternative, even considering the costs. In recognition of the widespread benefits, the Task Force believes that there must be a sharing of the developmental and financial responsibilities among the railways, utilities, equipment suppliers, financial institutions and governments.

It is interesting to note that CP Rail makes provision for electrification in all its structure designs. In a letter to the Task Force, R.S. Allison, CP Rail Vice-President, Great Lakes Region, said:

"The advantages of the technology are known and if the railway system were being built today from scratch, given today's conditions, there would be little difficulty in making the electrification choice."

Given the movement to electrification and the advantages which conversion have demonstrated throughout the world, the question is not so much *should* we electrify but *when* should we electrify. The problem is less "Can we afford to?" than "Can we afford not to?"

### What About Hydrogen?

Two alternative energy technologies are vying for attention: electrification and hydrogen fuel cells. In both cases, electricity is the bulk energy form needed for the system and also the final traction medium used on the locomotive. The difference is in the manner of relaying energy from a central source to the locomotive.

Electrification employs an energized contact wire above the track to conduct electric current to locomotives on the move. In fuel cell technology, electricity is used to produce hydrogen from water by electrolysis; the hydrogen is used to periodically refuel cells carried on the locomotives. The cells in their turn yield electrical energy as required by the traction motors which drive the wheels.

Wise planning has assured for Ontario a plentiful supply of electrical energy for either method of powering trains. Both systems could have a place in Ontario's future because they have different lead times and operating characteristics.

Fuel cell development for traction purposes is in its infancy. For

Start up capital costs are high

Benefits and costs must be shared

Two technologies — both use electricity



Potential for new  
industrial development

technical and economic reasons, railways provide better conditions for development than other transportation modes. Nevertheless, it might take several years to achieve a reliable prototype hydrogen locomotive, together with the necessary network for transporting, storing and loading the exotic fuel. Once mastered, the technology would be useful not only here in Canada but also for export, at a time when numerous countries will be seeking to reduce reliance of their transportation systems on oil. While the development risks should not be minimized, Canada is in a position to take a lead in this transportation aspect of fuel cell development.

In contrast, electrification techniques are highly developed and the industrial infrastructure already exists. However, the export market is competitive, because of the number of developed countries abroad which have substantial electrified rail mileage along with experienced equipment suppliers hungry for export orders.

The question is: How should these two technologies be put to use? The fuel cell, with its developmental risk, has a wide potential market. Conventional electrification, of proven performance and certain value, is more commonplace.

Possible replacement for  
standard diesel traction

If railways in central Canada are to be freight haulers in the main, then the fuel cell locomotive – assuming its satisfactory development as a reliable machine – could be a desirable replacement for the present diesel. With a power capacity set by the tolerable weight of its on-board cells, as the diesel's capacity is set by the allowable weight of its reciprocating engine, it likely will excel at multiple-unit drag operation for which high tractive effort at starting and medium speeds is important. Its freedom to run on any track, without the necessity of an overhead wire, will make it valuable for switching yards and spurs.

However, if our railways are also moving large numbers of passengers at high speed between major cities in the Windsor-Quebec City Corridor and across the border, and thousands of commuters to work in metropolitan centres, then electrification as currently foreseen has advantages over both diesel and fuel cell locomotives on key lines. These arise from the high capacity that can be incorporated in even light-weight electric locomotives, and in the ability to distribute traction power among the cars of a commuter train. Separate locomotives could be dispensed with altogether. In both cases, weight saving can be substantial and translates into either energy saving or higher performance.

Therefore, in the multi-purpose rail system of Ontario's future, the Task Force believes there will be a place for both fuel-cell locomotives and all-electric traction.

It would be prudent for Ontario to move to secure the benefits of each type by initiating simultaneously:

- electrification of the GO Transit main line of 41 route-miles; and
- development of a prototype fuel cell locomotive.

There are no serious technical impediments to an early start on electrification. It has been estimated that its cost could be recovered from savings in 16 years.

The fuel cell prototype could be tested to good purpose in commuter service on GO Transit's less heavily-used lines, which are less attractive prospects for electrification. Expansion of the fuel cell program could then take place from this base of operating experience.

Develop a prototype fuel-cell  
locomotive

### Options for Ontario

The Canadian Institute of Guided Ground Transport appraised several applications of electrification in the Ontario rail system in a study undertaken for the Task Force. In that report, most of the principal lines in both Northern Ontario and Southern Ontario emerged as economically viable prospects for electrification. The exceptions, based upon the operational and costing data developed by CIGGT, included Southwest Ontario secondary lines, the Ontario Northland and the GO Transit inland lines.

Altogether, 22 route segments were studied for their electrification potential by reason of heavy traffic volumes or a high proportion of

CIGGT Electrification Study



passenger and express freight traffic. The most promising segments were combined into five options for costing and evaluation. This evaluation was based primarily upon economic considerations, notably the required investment in relation to operational savings to produce the capitalized pay-back period. It did not place a direct value upon other benefits, such as energy security, improved service to the public.

The report concluded that a new electrified dedicated passenger track between Toronto, Ottawa and Montreal has significant possibilities for providing low-cost, high speed service. However a shift in passenger traffic to any such new trackage would deny freight traffic the benefits of electrification on the Toronto-Montreal direct line.

The CP's Thunder Bay-Winnipeg line emerged as an extremely good candidate for electrification with its considerable annual traffic and a modest capitalized payback period of thirteen years. This is the same line that was favoured in CIGGT's 1976 report as one of two prototype sites; the other was in Western Canada.

Other Northern routes – CP between Montreal and Thunder Bay and CN between Montreal and Winnipeg – were shown to be considerably less attractive because of substantially lower traffic volumes. The ONR line was generally not considered a candidate for electrification at the present volume of traffic. Southwestern Ontario routes, other than the Toronto-Windsor/Sarnia main lines, were also in this category because of the multiplicity of low density secondary lines, branch lines and alternative U.S. railway connections.

GO Transit electrification was shown to be modestly profitable, with a sixteen year payback for the high density Lakeshore route. However, extension of electrification to the lighter density inland routes has a very much reduced potential.

Because of the societal and economic benefits demonstrated by electrification, the Task Force concludes that the Province should endorse railway electrification for its total transportation advantages, as well as for the greater security resulting from both the direct and the indirect reduction in the use of oil as a transportation fuel in Ontario.

The Province, the federal government and the railways should take specific and immediate measures to protect the electrification option.

The Province should complete negotiations with the federal government to ensure adequate clearances on structures over rail lines which are likely candidates for electrification, including grade separations.

The Province should identify and seek the removal of impediments to electrification. For example, municipal assessment on fixed plant (overhead wires, etc.) and federal capital cost allowance rates act as disincentives to railway investment in electrification. Further, the Province should join with the federal government in developing appropriate parameters and compatible standards for the necessary electrification works.

The Province should prepare for future change by completing current planning studies and carrying out detailed design and financial implementation studies required to validate and implement electrification of the Lakeshore portion of the GO Transit commuter rail network.

The Province should work jointly with the federal government to examine the implications of simultaneous electrification of the Windsor-Quebec City Corridor.

The Province and the federal government should encourage research and development as well as other preparations to ensure Canadian industrial participation in future electrification plans.

The Task Force recommends that the full potential of hydrogen as an alternate fuel should be explored and adopted within the Canadian rail system, moving quickly to take advantage of Canada's early research into the option. The work being undertaken by the Toronto Area Transit Operating Authority and the Urban Transportation Development Corporation at UTDC's Kingston test facilities should be vigorously pursued.

Finally, in today's economic and energy environment, the Onakawana lignite deposits north of Cochrane which have been proposed for development over the years appear to have become more economically

Province should endorse  
electrification

GO Transit electrification

Examine Windsor-  
Quebec City Corridor

Explore hydrogen fuel-cell  
potential

**Protect ONR options**

feasible. With the power generation potential of the Onakawana field, and in consideration of future land use and developments along the Ontario Northland Railway line, the Province should also protect the option of electrification of the ONR in whole or in part.

Adoption of an electrification policy is desirable from the total transportation point of view, providing greater energy security, easing travel, lessening environmental impact for rail's neighbours, stimulating investment and industrial development and generating new jobs both in construction and, hopefully, in an expanded rail industry.

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**RECOMMENDATIONS**


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**Options for Ontario**

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|-------|---|
| 10-1  | The Province should endorse railway electrification for its total transportation advantages, as well as for the greater security resulting from both direct and indirect reduction in use of oil as a transportation fuel in Ontario.   |
| 10-2  | The Province, the federal government and the railways should take specific and immediate measures to protect the electrification option.  |
| 10-3  | The Province should complete negotiations with the federal government to ensure adequate clearances on structures over rail lines which are likely candidates for electrification, including grade separations.   |
| 10-4  | The Province should identify and seek the removal of impediments to electrification. For example, municipal assessment on fixed plant (overhead wires, etc.) and federal capital cost allowance rates act as disincentives to railway investment in electrification.          |
| 10-5  | The Province should join with the federal government in developing appropriate parameters and compatible standards for the necessary electrification works.   |
| 10-6  | The Province should prepare for future change by completing current planning studies and carrying out detailed design and financial implementation studies needed to validate and implement electrification of the Lakeshore portion of the GO Transit commuter rail network. |
| 10-7  | The Province should work jointly with the federal government to examine the implications of simultaneous electrification of the Windsor-Quebec City Corridor.   |
| 10-8  | The Province and the federal government should encourage research and development and other preparations for Canadian industrial participation in future electrification plans.   |
| 10-9  | The Task Force recommends that the full potential of hydrogen as an alternative fuel should be explored and adopted within the Canadian rail system, moving quickly to take advantage of Canada's early research into this option.  |
| 10-10 | With the power generation potential of the Onakawana lignite deposits, and in consideration of future land use and developments along the Ontario Northland Railway line, the Province should also protect the option of electrification of the ONR in whole or in part.      |

## PROTECTING THE PUBLIC INTEREST



The public must be protected more effectively from potential railway hazards and negative environmental impacts.

The 1979 Mississauga disaster brought into sharp focus the potential impact the operation of a rail transportation system can have on people living along a railway corridor, or even a considerable distance from it. The need for improved railway safety and land use planning techniques has become obvious.

Increasing rail carriage of dangerous cargos, especially toxic chemicals which can leak or become wind-borne in the event of an accident, has serious implications for residents of metropolitan areas through which the rail corridors pass.

Dangerous cargos are not the only hazards to public safety which are rail-related. Derailments, collisions, crossing accidents and public protection along the rail corridor itself are issues of increasing public concern. There is justification for this concern.

The Task Force, of course, has been aware of the formal investigations by the Grange Commission of the Mississauga disaster. Concern for safety is so wide-spread that it requires comment from the Task Force as well.

### Rail Safety

The Task Force Interim Report documented the increasing frequency of derailments, the cause of the Mississauga accident, and collisions in both Canada and Ontario over the last fifteen years. Derailments now occur twice as frequently per unit of traffic as they did in 1970. Ontario has a large proportion of these derailments – 36 percent in 1979, more than its relative share (29%) of total rail route miles. Collisions between trains almost doubled in frequency from 1978 to 1979.

Comparison of Canadian with European and Japanese railways produces even more grave statistics. In 1976, there were more derailments as an absolute number in Canadian train operations than there were in Japan, West Germany, Poland, France and Switzerland combined...302 as opposed to a total of 296 for the other five

Comparison with overseas railways



## Incidence of train collisions

countries. Number of derailments per billion gross ton-kilometres showed Canada's performance to be almost *three times* greater than the average of the other five countries.

Canada's performance is even worse with respect to the number of train collisions. Although thirty-two collisions in train operations compared favourably with at least one country, the proportion of collisions per million train-kilometres was *almost four times* the average of the other countries. It should be noted that in comparison with Japan, which operates the highest speed system in the world, Canada had 73 times the ratio of collisions.

## Level crossing accidents

Although level crossing accidents have declined considerably both in Ontario and across Canada over the last few years, the present rate of accidents – 257 in 1979 – is still too high. The gradual increase in construction of grade separations probably accounts for the declining number of accidents at level crossings. However, with about 250 grade crossings still in existence in the Ontario portion of the main passenger corridor between Toronto and Montreal, for instance, there is a great deal of room for improvement.

The level of rail safety has not really improved in Canada in recent years, in spite of the 1970 Inquiry into Rail Safety recommending various measures to enhance safety. This CTC inquiry, prompted by three rail accidents within nine days, concluded that 'drastic action' was required to reduce the alarming proliferation of derailments, collisions, and other mishaps.

## CTC relies on railway self regulation

There are a number of reasons for this deterioration in railway safety. Although the CTC has adequate jurisdictional power to enforce safety standards, it has been relatively inactive in exercising those powers. The CTC relies heavily on railway self-regulation for safety improvements, possibly because there is an inadequate budget and an insufficient number of CTC inspectors or enforcement personnel to adequately cover the rail system. The CTC is further hampered by the lack of comprehensive minimum standards and other criteria to ensure a uniform level of safety in rail transportation.

Even when complaints are received from within the railway operating environment itself, the CTC has shown some reluctance to intervene and follow up on the complaint. This may stem from the limited number of enforcement staff available, from the fact that some of this staff complement is recruited from railway personnel, and also from a confused safety mandate within the CTC itself. The responsibility for accident investigations can conflict with the CTC's subsequent judicial responsibilities. Whatever the causes, the failure of the CTC in some cases to detect and pursue violations of its own regulations does little to improve rail safety.

## Railway responsibility

The railways have a considerable responsibility for declining safety performance. Regrettably, the upgrading and maintenance of the track structure has not always been consistent with the damage being inflicted by increasing weight of traffic on an aging system. At the same time, the traditional labour-intensive methods of track maintenance have now been largely supplanted by mechanized methods. Reductions in frequency of close manual inspection results in longer intervals between track damage and detection.

The Task Force believes that improvements to the level of safety performance of the rail system are an immediate and pressing requirement. There are three directions that should be taken simultaneously.

## More effective enforcement needed

First, more effective *enforcement* of Canadian Transport Commission regulations relating to rail safety is required. The Task Force recommends that the Province request the federal government to enable the CTC to assume full responsibility for the safety inspection and regulation of the railways, rather than allow the continuation of current self-regulation practices by the railways. The CTC should be required to pursue all violations of its regulations by the railways, as well as respond to all railway employee complaints concerning safety matters.

The responsibility for investigating and reporting on accidents should be transferred to Transport Canada from the CTC, in order to separate the investigative role from the judicial role.

## Improve rail transport of dangerous goods

Second, improvement is necessary in the manner by which *dangerous cargos* are transported by the railways. The Task Force recommends the rerouting of dangerous goods rail traffic around population centres. Routes through cities should be avoided where alternate routes exist, as is the case in the Toronto area.

The federal government should require that dangerous goods be consolidated in special trains, which would operate within specific route, time and speed constraints. Cars containing dangerous goods should also be segregated relative to their potential hazard while in both trains and switching yards. Limits should be put on the quantities of dangerous goods carried per train, except where special trains are utilized.

If it is deemed necessary, the Province should obtain sufficient and qualified resources to enforce complementary additional standards in rail transportation along with the minimum federal standards for dangerous goods rail cars.

Priority should be given to the upgrading of infrastructure, rolling stock and control and operating systems in corridors where dangerous goods are transported by rail. It should be required practice for the railways to track both regular and special movements of highly toxic chemicals, fuels, etc, particularly through and near areas of high population.

Third, there is a need for the rapid reduction in the number of *rail accidents* in Canada, including derailments, collisions and crossing accidents. The Task Force recommends that the Province insist that the federal government continue its legislated, long-standing commitment and sustain the grade separation program with increased funding levels to accommodate Ontario's safety needs.

The railways should initiate monitoring programs and improve the current maintenance inspection program for both track infrastructure and rolling stock in order to identify and offset the damage caused by the increased loads being carried by the rail system. Consideration should be given to lighter rail equipment.

The railways should install additional safety monitoring devices such as hot box detectors along the main lines and ensure that the information from these detectors, indicating faulty railway equipment, is acted upon promptly.

The selective application of more modern control and signalling systems, along with improved communications technology, should be undertaken by the railways.

As well, the railways should improve training and management of rail personnel in order to reduce the number of employee-related rail accidents.

An active research and development program directed towards railway safety also should be initiated to examine present infrastructure technology and the potential improvements in rail safety that are available through system innovations.

In summary, the challenge for all concerned is to ensure that rail operations are conducted with maximum regard for public safety. This calls for interlocking standards and procedures, which extend all the way from the initial construction of the railway system and equipment to daily operation and periodic maintenance.

Because of the scattered nature of railway property and activities, conformity to safety standards at all times is not easily verified. This is part of the problem of responsibility for promulgation, execution and enforcement being spread among several parties, including the railways, the CTC and others.

Railway safety is a specially onerous challenge in education, clarification of duties and responsibilities throughout a far-flung system. It is felt by the Task Force that regular independent checks of procedures and responsibilities must be implemented in the interests of accident prevention.

Therefore, the Province should urge upon the federal government the importance of ensuring that safety procedures are installed and are working, from railway management down to train crews and other personnel.

## Initiatives required to reduce incidence of railway accidents

## Safety paramount in all facets of rail operations

## Independent monitor of safety practices

The Task Force recommends the use of independent auditors to report on the adequacy of such systems and procedures.

### Planning for Emergencies

The possibility of a man-made emergency or a natural disaster always exists. As Ontario has witnessed with the Mississauga incident, the former is the more likely possibility. Of course, the Province frequently experiences natural disasters, such as forest fires, hurricanes, floods and paralyzing winter storms. Man-made incidents might include fuel supply stoppages, dangerous cargo disruptions, nuclear or chemical accidents, civil unrest and war.

When disaster strikes for whatever reason, it can disrupt the normal flow of people and goods within the Province and create chaos, even if the incident is not related directly to the transportation system.

Whatever the occurrence, it could increase reliance upon elements of the transportation system (for example, the transcontinental train could play a major strategic role), result in critical damage to a component of the system, or force the transference of dependency from one transportation mode to another. A mass evacuation from an urban core, the closure of a major airport for an extended period of time or a sudden critical fuel shortage would all place stress on the total transportation system. These would be further intensified because of the disruption to normal service levels.

The Task Force believes that careful advance planning by government to prepare transportation services for such events would be extremely beneficial. For this reason, the Task Force recommends that a federal-provincial committee be created, in order to define the respective roles and responsibilities in a contingency situation for governments as well as the railway companies and passengers and shippers using rail services.

A provincial coordinating agency should be formed to complement the existing federal Emergency Planning Agency. Also, there is a need to establish a provincial operations centre, which in addition to its emergency functions could also provide adequate communications and information to the public. A coordinating agency should include representatives from the Ministries of the Attorney General, Solicitor General, Health, Transportation and Communications, Northern Affairs and Intergovernmental Affairs, with possible additional representatives from the Ministries of Energy, Environment, Natural Resources and Treasury and Economics.

In the event of a national emergency, the existing federal Emergency Planning Agency should be asked to indicate the role of the provincial group in working with those responsible at the federal level.

In addition, a plan should be developed by government which would guarantee fuel availability for railway needs should some form of crisis create a shortage of petroleum.

### Railways as Neighbours

The importance and influence of railways and their impact in terms of land use is now being recognized by planners and the general public. An increasing awareness of the effect of railways on both human and natural environments has gone hand-in-hand with the increasing demand for development of land adjacent to rail corridors for other than rail-related purposes. As well, media sensitivity to all aspects of rail activities has made the rail system a more 'visible' factor in the community.

This visibility has arisen as a result of the more intensive development of lands adjacent to rail lines for residential, parkland and commercial use. Environmental disturbances – such as noise from locomotives and warning systems, vibration from the trains running over the track, air pollution to a limited extent, and visual blight – are of immediate concern and often the subjects of public anger. As a result, the railways, the immediate object of neighbourhood frustration, react quite strongly to criticism on the grounds that "We were here first" and therefore are not responsible for the impact of rail activities on land uses that have come later.

Rail transportation is a factor when disaster strikes

Provincial coordinating agency needed

Emerging conflicts



**Include rail impacts in  
land use planning process**

These conflicts are likely to continue as rail activities increase and as communities are confronted with increasingly scarce land resources for developmental needs. However, better planning and control of land uses adjacent to railway corridors should do much to reduce such conflicts. This type of planning is even more important from the rail transportation perspective. While new and improved rail services are essential in the public interest, adjacent land use must be compatible with the design and operation of those services.

Land use planning in Ontario falls under the purview of The Planning Act, which gives the Province approval powers for most planning activities. In these activities, a wide range of elements are considered including economic, environmental, social and transportation needs. An effective land use plan must consider all the elements which might impact upon a community. Until recently, railway infrastructure and operations have not been incorporated in land use planning processes. But they should have, and must in the future.

To undertake appropriate planning and development activities for lands abutting railway corridors, a high level of cooperation and communication among the various levels of government, the railways and the land developers is required. The Province, through its involvement in the overall planning process, is also in a position to provide advice to municipalities on how to deal with land use planning problems with respect to railway impacts.

**Province should prepare  
guidelines**

The Task Force recommends that the Province, through the preparation of policies and planning guidelines, assist municipalities to reduce their land use conflicts arising from rail-related operations and to deal with railway issues generally. This may require that the Province develop greater staff expertise on land use planning issues as they relate to railways.

In order to clarify the role and responsibility of the railways with respect to land use planning, the Province, with federal cooperation, should develop a process which would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.

Railways should be subject to some type of impact assessment process. The Province should initiate the development of impact standards with which railways must comply in their operations. To this end, the information base on the environmental impact of railways, particularly in Ontario, should be improved.

The Province's policy directions should specify:

**Provincial policy initiatives**

- (a) allowable limits for railway source nuisances;
- (b) abatement measures to achieve these allowable limits;
- (c) specific designation of railway lands in Official Plans;
- (d) recognition of railways as a component of the community;
- (e) recognition of community safety vis-a-vis railway operations;
- (f) legislated designation of routes for hazardous goods;
- (g) a formal mechanism for coordination and communication between governments and the railways on land use planning matters; and
- (h) guidelines for design of rail serviced industrial subdivisions

**Railways subject to Provincial  
legislation**

Where commuter rail services exist, or are under consideration, the Province should ensure that the future land use activities will both benefit from and support the commuter system to the highest degree possible.

The Province should investigate the means of enforcing existing Ontario legislation and regulations within railway rights-of-way in matters relating to land use planning, environment, labour and agriculture.

**Railways not held solely  
responsible**

In conjunction with the railways being made subject to provincial legislation, specifically The Planning Act, the Task Force recommends that the Province should ensure that the railways are not held solely

Another way to solve urban rail conflicts

Provincial interest in rationalization and relocation

Retention of abandoned rights-of-way

responsible for any perceived negative impacts as a result of actions by municipalities or others under provincial control.

### Relocation and Rationalization

Land use planning is only one aspect of the resolution of rail-urban conflicts. It addresses the question of the appropriate use of land along existing and future rail lines. Resolution also lies with rail relocation and rationalization activities by moving or changing the source of the problem rather than just adjusting to it.

The rationalization process serves both railway and community needs. On the one hand, the primary aim of the railways is the economic efficiency to be gained through the removal of operational difficulties, which include service duplications, speed reductions in built-up areas, outmoded facilities, etc. On the other hand, communities need to reduce land use conflicts, safety hazards and environmental impact, while at the same time ensuring that transportation requirements continue to be served.

The Province has a particular interest in rationalization and relocation proposals since a number of provincial policies and objectives can be served or hindered by such activities. The degree of provincial interest rests with broader objectives such as maintenance of viable passenger-freight networks and access points, intermodal opportunities, economic survival of rail-dependent industries, the revitalization of downtown cores, etc.

Railway rationalization objectives and municipal relocation requirements should be reflected in the community's land use planning policies. These objectives, including quality of life and other considerations, should emerge from a process of consultation between the municipality, the railways, and the senior governments.

To this end, the Task Force recommends that the Province take a strong position in railways rationalization and relocation studies to ensure that provincial as well as local interests are protected. The extent of provincial interest in these studies should form the basis for provincial financial involvement in them.

The retention and use of abandoned railways rights-of-way has considerable implications both for future transportation infrastructure requirements, and as a provincial resource to meet other social or economic needs.

The question of rail line abandonment as it affects services and the general rail transportation system in the Province was discussed in Chapter V.

The Task Force believes that these railway rights-of-way should be regarded as a public resource, available for use in achieving broad public purposes and in meeting specific local objectives and needs.

## RECOMMENDATIONS

### Rail Safety

- |      |  |
|------|--|
| 11-1 | The Province should request that the federal government enable the CTC to assume full responsibility for the safety inspection and regulation of the railways rather than allow the continuation of the current practice of self-regulation by the railways. |
| 11-2 | The CTC should be required to pursue all violations of its regulations committed by the railways as well as respond to all railway employee complaints concerning safety matters.  |
| 11-3 | The Task Force recommends that the responsibility for investigating and reporting on accidents should be transferred to Transport Canada from the CTC in order to separate the investigative role from the judicial role.                                    |
| 11-4 | The federal government should require the rerouting of dangerous goods rail traffic around population centres. Routes through cities should be avoided when alternative routes exist as is the case in the Toronto area.                                     |
| 11-5 | The federal government should require that dangerous goods be consolidated in special trains, which would operate within specific  |

- route, time and speed constraints.
- 11-6 The federal government should require that cars containing dangerous goods should be segregated relative to their potential hazard while in both trains and switching yards. Limits should be put on the quantities of dangerous goods carried per train, except where special trains are utilized.
- 11-7 If it is deemed necessary, the Province should obtain sufficient qualified resources to enforce complementary additional standards in rail transportation along with minimum federal standards for dangerous goods rail cars.
- 11-8 The Task Force recommends that priority should be given to the upgrading of infrastructure, rolling stock, and control and operating systems in corridors where dangerous goods are transported by rail.
- 11-9 The Task Force believes that it should be required practice for the railways to track both regular and special movements of highly toxic chemicals, fuels, etc., particularly through and near high population areas.
- 11-10 The Task Force recommends that the federal government must continue its legislated long-standing commitment and sustain the grade separation program with increased funding levels that meet Ontario's safety needs.
- 11-11 The Task Force recommends that the railways should initiate monitoring programs and improve the current maintenance inspection program for both track and rolling stock to offset the damage caused by the increased loads carried by the rail system. Consideration should be given to lighter rail equipment.
- 11-12 The Task Force recommends that the railways should install additional safety monitoring devices such as hot box detectors along main lines and as well ensure that information from these detectors indicating faulty railway equipment is acted upon promptly.
- 11-13 The Task Force recommends that the selective application of more modern control and signalling systems, along with improved communications technology, should be undertaken by the railways.
- 11-14 The Task Force recommends that the railways should improve training and management of rail personnel in order to reduce the number of employee-related rail accidents.
- 11-15 The Task Force recommends that an active research and development program directed towards railway safety should also be initiated to examine present infrastructure technology and the potential improvements in rail safety that are available through system innovations.
- 11-16 The Province should urge upon the federal government the importance of ensuring that safety procedures are installed and are working, from railway management down to train crews and other personnel.
- 11-17 The Task Force recommends the use of independent auditors to report on the adequacy of such systems and procedures.

#### Planning for Emergencies

- 11-18 The Task Force recommends that a federal-provincial committee should be created in order to define the respective roles and responsibilities in a contingency situation for governments as well as the railway companies, and passengers and shippers using rail services.
- 11-19 A provincial coordinating agency should be formed to complement the existing Federal Emergency Planning Agency. In line with this coordinating body, there is a need to establish a provincial operations centre which, in addition to its emergency function, could also provide adequate communications and information to the public.
- 11-20 The Task Force recommends that the provincial operations centre should include representatives from the Ministries of the Attorney General, Solicitor General, Health, Transportation and Communications, Northern Affairs, and Intergovernmental Affairs, with possible additional representatives from the Ministries of Energy, Environment, Natural Resources and Treasury and Economics.
- 11-21 In the event of a national emergency, The Task Force believes that the existing Federal Emergency Planning Agency should be asked to indicate the role of the provincial group in working with those responsible



at the federal level.

- 11-22 The Task Force recommends that a plan should be developed by the senior governments which would guarantee fuel availability for railway needs, should some form of crisis create a shortage of petroleum.

#### Railways as Neighbours

- 11-23 Through the preparation of policies and planning guidelines, the Province should assist municipalities to reduce their land use conflicts arising from rail-related operations and to deal with railway issues, generally.
- 11-24 In order to clarify the respective role and responsibilities of the railways with respect to land use planning, the Province, with federal cooperation, should develop a process that would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.
- 11-25 The Province should initiate the development of impact standards with which railways will have to comply in their operations. To this end, the information base on the environmental impact of railways, particularly in the Ontario context, should be improved.
- 11-26 The Province's policy directions should specify:
- a) allowable limites for railway source nuisances;
  - b) abatement measures to achieve these allowed limits;
  - c) specific designation of railway lands in Official Plans;
  - d) recognition of railways as a component of the community;
  - e) recognition of community safety vis-a-vis railway operations;
  - f) legislated designation of routes for dangerous goods;
  - g) a formal mechanism for coordination and communication between governments and the railways on land use planning matters;
  - h) guidelines for design of rail-served industrial subdivisions.
- 11-27 Where commuter rail services exist or are under consideration, the Province should ensure that future land use activities will both benefit from and support the commuter rail system to the highest degree possible.
- 11-28 The Province should investigate the means of enforcing existing Ontario legislation and regulations within railway rights-of-way in matters relating to land use planning, environment, labour and agriculture.
- 11-29 In conjunction with the railways being made subject to provincial legislation, specifically The Planning Act, the Task Force recommends that the Province should ensure that the railways are not held solely responsible for any perceived negative impacts as a result of actions by municipalities or others under provincial control.

#### Relocation and Rationalization

- 11-30 The Province should take a strong position in railway rationalization and relocation studies to ensure that provincial interests as well as local interests are protected.
- 11-31 The extend of provincial interest in railway rationalization or relocation studies will form the basis for provincial financial involvement in the studies.

## THE CHANGING ROLES



The Government of Ontario must actively participate in rail planning and development on behalf of the people of the Province.

### The Major Players

The approach of the Task Force has been to address the subject of rail service in Ontario from the perspective of people.

The Task Force concluded that there is a clear need for vigorous participation by the Province in the planning and development of the rail system on behalf of the people of Ontario. Throughout this report the role that the Government of Ontario should undertake has been discussed in detail.

This report would have been incomplete if, in considering the larger role for provincial involvement in railway policy, the Task Force had not concerned itself with the roles of and effect upon the federal government, the railways, and the interaction necessary between all participants.

The Task Force recognizes that the major players use, and will continue to use, different yardsticks to determine the effectiveness of various rail lines and services.

To reconcile different objectives, more than unilateral action is required. A new era of public policy development is needed to enable all of the major players – the railways, the federal government, the Province and the users – to influence the 'commercial' rail system we have developed in Canada. Therefore, many of the recommendations of the Task Force call for a fresh approach by all parties.

To achieve the results envisaged by the Task Force will require changes to the responsibilities of and the inter-relationships among Transport Canada, the Canadian Transport commission, the railway companies, VIA Rail and the Government of Ontario.

### The Government of Canada

Principal instrument of federal legislative and regulatory authority over the rail system is the National Transportation Act of 1967. Enacted six years after an intensive Royal Commission examination into the structure of the rail transportation system in this country, the Act gives the Minister of Transport broad policy responsibilities to ensure that Canada maintains an effective and efficient transportation system making the best use of all available transportation modes.

The same Act also created the Canadian Transport Commission, which was given special powers to regulate rail transportation. Although the Minister of Transport is appointed to be responsible for

**Fresh approaches needed**

#### CTC involvement in rail policy

rail policy in Canada, a substantial part of rail policy development actually arises from the decisions made by the CTC independent of the Minister.

The Canadian Transport Commission regulates the standards, location, construction, safety and other requirements of the railways under its mandate. As well, it determines the minimum levels and quality of passenger rail services in the country. The cumulative effect of these latter decisions in the passenger service field has been the establishment by the CTC of a significant portion of the passenger rail policy, including levels of funding allocated to those services. Yet the CTC bears neither financial nor political accountability for this decision-making.

In law, but not in fact, the Minister of Transport has the responsibility for making and administering rail policy in Canada.

In addition, the Research Branch of the CTC undertakes various rail research projects, either in anticipation of emerging rail issues or in response to particular requests from the Rail Transport Committee of the CTC or from Transport Canada. This research further develops independent rail policy perspectives.

The fact that the Canadian Transport Commission plays a key role in the development of rail policy makes it very difficult for the Province to successfully negotiate improvements and changes to railway policy and operations in Ontario.

#### Minister should be only authority for national rail policy

The Government of Canada has an obligation to ensure the provision of an efficient and adequate rail transportation system. Under the National Transportation Act, the Minister of Transport is the sole federal authority responsible for the development of a national system of rail transport. In the execution of that responsibility, he should be in fact the only authority accountable to the people of Canada.

The Task Force noted that the federal Minister of Communications has recently reiterated statements made by his predecessors on the policy responsibility of his own Ministry vis-a-vis the Canadian Radio-Television and Telecommunications Commission. Speaking to a Financial Post conference in Toronto, the Minister said that policy-making should be in the hands of the elected politicians, rather than in the hands of appointed regulatory bodies. He further indicated that legislation would be introduced to give the federal government, through the Cabinet, the ability to give broad policy directives to the CRTC. It is this same ministerial responsibility and control that the Task Force views as an essential component in directing the rail transportation system in Canada.

#### Full Provincial participation in rail policy development

Because of the importance of rail in the overall transportation system in Ontario, the process of planning and implementing federal rail policies should involve the full participation of the Government of Ontario. It is only through a proper consultative process that federal policies can adequately reflect the Province's transportation needs, consistent with national policy objectives and standards.

#### Improved federal financial commitments

Along with policy responsibility goes financial responsibility. The federal government has the responsibility for the financial support of the rail transportation system and for a strong program of research and development to ensure Canada has the best rail system for our needs. It should continue and improve upon both these commitments.

The federal government, through the crown-owned Canadian National Railways has a further obligation to ensure that rail freight and passenger services in the national interest take precedence over purely profit motivations. This principle has been well-established by several Commissions of Inquiry into the rail transportation system in Canada. It should not be watered down or eliminated in future legislative or policy activities.

#### Rescind CTC policy advisory role

The Task Force recommends that, in order to reclaim full responsibility for broad national rail policy, the federal government amend the appropriate sections of the National Transportation Act and the Railway Act to rescind the policy advisory role of the Canadian Transport Commission and its authority over both minimum rail passenger services and rail abandonments. The role of the CTC with



### A clearly defined national transportation policy

respect to abandonments and rail passenger service levels should be limited to advising the Minister on the 'public need'.

The federal government, in consultation with the Province(s), should enunciate a clearly defined national transportation policy stressing the importance of rail transportation for both passenger and freight. Within this policy, it is essential to develop a national rail strategy. Such an undertaking would provide goals and objectives within which the federal government, the railways, the CTC, VIA Rail and the Province(s) could work together to achieve maximum system utility and efficiency.

This national transportation policy must also include a national energy strategy which identifies rail as an energy-efficient mode, provides support for its appropriate roles, and assists in modal shifts.

To ensure that there is continuous and effective provincial involvement and exchange of information on rail policy or service issues, the Task Force recommends that regular meetings be held between the federal and provincial ministers responsible for transportation.

### CTC to continue watchdog role

#### The Canadian Transport Commission

Within the framework advocated by the Task Force, the CTC should continue to ensure that the rail transportation policy objectives defined by the Government of Canada are fulfilled by the operating railways and VIA Rail.

It is entirely appropriate that the CTC should provide the public hearing mechanism by which the public need for continued passenger or freight services is identified. However, the CTC should only advise the Minister of Transport on such public needs, rather than decide on the disposition of those services.

Provincial input should not be restricted solely to intervening through the CTC hearing process. Provincial governments should be able to discuss the services required in their provinces directly with the Minister of Transport as part of the policy development process, and have those needs reflected in the policy direction given to the CTC.

The CTC should continue to regulate design standards, location, construction and safety of the railways. However, as previously discussed, the investigative functions with respect to railway accidents should be transferred to Transport Canada to separate the ongoing judicial functions of the CTC from accident investigation requirements.

### CTC as adjudicator

The CTC should also maintain its adjudicative role with respect to an improved rate appeal process for those shippers subject to potentially discriminatory freight rates. Further, the CTC should assume a similar role in adjudicating disputes arising as a result of one railway company applying for the use of the tracks owned and maintained by another railway company, as recommended by the Task Force.

The research activities of the CTC should be confined to the adjudication and regulatory processes. Policy or technical research should be carried out through Transport Canada, because of the ultimate effect this research has upon final government policy decisions.

The Task Force also recommends that the CTC develop effectiveness measures for its rail programs, and should publish the results of its evaluation in its annual report.

#### VIA Rail

Under an agreement with the federal government, VIA Rail is to "provide services, activities, functions, and undertakings related to the provision, management, and operation of railway passenger services in Canada". To accomplish these objectives, VIA Rail contracts with the Minister of Transport to provide services identified by the Minister. VIA then contracts with the railways for the operation and maintenance of passenger trains and support facilities, while providing its own passenger service personnel.

### Restrictions on VIA Rail

However, VIA Rail is constrained by Transport Canada, the CTC and the railways from efficiently managing the national passenger train system. The result is that VIA has no effective ability to operate passenger rail services in Canada, little control over systems and costs,

New legislation to give  
VIA Rail flexibility

cannot set its own budgetary priorities or effectively plan or experiment with different levels of service.

The many problems facing VIA Rail must be resolved, if it is to be successful in establishing an effective passenger service. Because Ontario's interests embrace the need for VIA services, the Province's goals are also restricted by VIA's operating limitations.

The Task Force is of the opinion that VIA Rail should be given the flexibility to meet passenger rail service objectives as efficiently as possible. To this end, the Task Force recommends that the federal government prepare a Via Rail Canada Act which would:

- (a) define the role and mandate of VIA;
- (b) give VIA ownership or control of rolling stock, maintenance facilities, operating staff and stations;
- (c) give VIA freedom to use whichever rail lines are most appropriate to service requirements; and
- (d) establish priority for passenger trains over freight trains.

With the removal of CTC authority over minimum passenger service levels, the federal government in consultation with the Province should then provide VIA Rail with broad service objectives and criteria to be met within identified rail corridors. In this way, VIA would be free to design, operate and promote passenger rail services as efficiently as possible within overall funding levels established by Transport Canada.

The funding levels, the Task Force believes, should be reviewed on a continuing basis by Transport Canada to ensure that they are sufficient to meet national and provincial objectives.

Because of the importance of passenger rail services in many parts of Ontario, the Task Force believes that appropriate officials from the Government of Ontario and VIA Rail should communicate on a regular basis to resolve operational issues or other concerns the Province may have. To this end, the Task Force recommends that a liaison committee be established between the Ministry of Transportation and Communications and VIA Rail.

Under its federal contract, VIA Rail has agreed not to undertake any new business activities without the consent of the Minister. The ability of VIA to undertake new services is further restricted by the nature of the contractual relationships between VIA and the railways.

Both of these factors limit the ability of VIA Rail to enter into contractual relationships with the Province where the Province is willing to support passenger rail services which are in the provincial interest. In any redefinition of the role and mandate of VIA Rail, these restrictions should be amended to avoid limiting the ability of the Province to contract for regional and local passenger rail services.

### The Railways

The Task Force was impressed by the sense of responsibility exhibited by the railways in conducting their business within the framework of existing policy and their willingness to work with the Province on rail matters. Nevertheless, there are areas where changes should be made by the federal government in legislation affecting the railways.

The Task Force recommends that the Railway Act should be amended to make the railways subject to all appropriate provincial legislation. The Ontario legislation would include The Environmental Assessment Act; The Planning Act; The Environmental Protection Act; The Business Corporations Act; and The Corporations Information Act (1976).

In addition, the railways should be subject to the Combines Investigation Act, as discussed in Chapter VII and should adjust their operations to provide for shared use of track as recommended in Chapter II.

While convinced that it is not a major problem, the Task Force wishes to record the need for continued and increasing cooperation and information exchange between the railways and the Government of Ontario.

Ensure sufficient funds for  
passenger service

Enable VIA to contract with  
the provinces

Railways subject to Provincial  
legislation

## The Government of Ontario

The transportation system in Ontario is dynamic, continually evolving through technological and energy developments, legislative and regulatory influence and pressures from competing transport modes, and new public needs.

The Task Force sees rail being at the commencement of another era in which its importance will expand and new uses made in services both familiar to us today and perhaps unimagined at this time. Significantly, the emergence of this era will be without some of the agony of the original railway construction era, more in harmony with the many communities rail now serves, and developed within a framework of knowledge, understanding and cooperation.

To achieve its social and economic objectives, the Province will have to exert a much greater degree of influence upon rail transportation than it has in recent years. The recommendations in this report, we believe, will result in the development of a superior transportation system serving Ontario.

The strong role the Province must undertake to influence the direction of rail transportation is outlined in Chapter I. Where the Province seeks to develop roles outside its commonly accepted jurisdictional authority, a federal-provincial agreement relating to the delegation of federal responsibility in a particular area should be sufficient to give the Province the ability to act.

Financial support for rail transportation services normally accompanies jurisdictional responsibility. Under existing legislation, the federal government can provide financial support for provincial service. Also, the Province can agree to lend support to services which it requests be provided in its interest. Where it is anticipated that the Province will take a stronger position with respect to services or infrastructure developments, financial contributions to those areas can be made without constitutional entanglement.

The Task Force recommends that the Province consider participating financially in those railway program components which provide broader benefits to Ontario in addition to specific transportation services. In the interests of maintaining the railways as functioning business enterprises in the private sector, financial support should take the form of tax incentives and capital grants rather than operating subsidies. This support should be geared toward the attainment of defined and measurable objectives over an agreed-upon time period.

The recommended changes and adjustments to rail transportation in Ontario as proposed by the Task Force require the Government of Ontario to establish a solid basis of information from which to function. It is important that the Province develop to a much greater degree the skills to assess this information as it relates to public issues and policy directions within the rail transportation field. It must then develop a way to apply knowledge and skills to the resolution of rail-related problems and public policy concerns.

For these reasons, the Task Force recommends that the Province implement the recommendations contained within this report through an arm of the provincial government specifically organized and equipped to deal with the broad range of concerns which have been outlined. There should be a strong, focussed Ministerial responsibility for the development and implementation of provincial rail policy, bearing the stature and financial capability to further the Province's interest. The Task Force believes that the long-term public interest will be well served by a re-ordering of provincial priorities including financial commitments in support of a new level of interest and responsibility in rail matters.

Public policy related to provincial rail transportation should be re-evaluated periodically to ensure that it reflects these new priorities and requirements. For this reason, the Task Force recommends that the Ontario Task Force on Provincial Rail Policy reconvene from time to time to examine and review rail policy and recommend adjustments as necessary.

A new era for rail

Aggressive Provincial involvement

Financial support

Tax incentives and grants

Provincial implementation of report recommendations



## RECOMMENDATIONS

### The Government of Canada

- 12-1 Because of the importance of rail in the overall transportation system in Ontario, the process of planning and implementing federal rail policies should involve the full participation of the Government of Ontario.
- 12-2 The federal government has the responsibility for the financial support of the rail transportation system and for a strong program of research and development to ensure that Canada has the best rail system for our needs. It should continue and improve upon those commitments.
- 12-3 The Task Force recommends that the federal government, through the crown-owned Canadian National Railways, has a further obligation to ensure that rail freight and passenger services in the national interest take precedence over purely 'profit' motivations. This principle has been well-established by several Commissions of Inquiry into the rail transportation system in Canada. It should not be watered-down or eliminated in future legislative or policy activities.
- 12-4 The Task Force recommends that in order to reclaim full responsibility for broad national rail policy, the federal government amend the appropriate sections of the National Transportation Act and the Railway Act to rescind the policy advisory role of the Canadian Transport Commission and its authority over both minimum rail passenger services and rail line abandonments. The role of the CTC with respect to abandonments and rail passenger service levels should be limited to advising the Minister on the 'public need'.
- 12-5 The federal government, in consultation with the Province(s), should enunciate a clearly defined national transportation policy stressing the importance of rail transportation for both passenger and freight. Within this policy, it is essential to develop a national rail strategy. Such an undertaking would provide goals and objectives within which the federal government, the railways, the CTC, VIA Rail and the Province(s) could work together to achieve maximum system utility and efficiency. This national transportation policy must also include a national energy strategy which identifies rail as an energy-efficient mode, provides support for its appropriate roles, and assists in modal shifts.
- 12-6 The Task Force recommends that regular liaison meetings be held between the federal and provincial ministers responsible for transportation to ensure that there is continuous and effective provincial involvement and exchange of information on rail policy or service issues.

### The Canadian Transport Commission

- 12-7 The Task Force recommends that the Canadian Transport Commission should continue to ensure that the rail transportation policy objectives defined by the Government of Canada are fulfilled by the operating railways and VIA Rail.
- 12-8 The Task Force recommends that the Canadian Transport Commission should provide the public hearing mechanism by which the public need for continued passenger or freight services is identified. However, the Canadian Transport Commission should only advise the Minister of Transport on such public needs, rather than decide on the disposition of those services.
- 12-9 The Task Force recommends that provincial input should not be restricted solely to intervention through the Canadian Transport Commission hearing process. Provincial governments should be able to discuss the services required in their provinces directly with the Minister of Transport as part of the policy development process and have those needs reflected in the policy direction given to the Canadian Transport Commission.
- 12-10 The Task Force recommends that the Canadian Transport Commission should continue to regulate design standards, location, construction and safety of the railways. However, the investigative functions with respect to railway accidents should be transferred to Transport Canada to separate the ongoing judicial functions of the Canadian Transport Commission from accident investigation requirements.
- 12-11 The Canadian Transport Commission should maintain its adjudicative

- role with respect to an improved rate appeal process for those shippers subject to potentially discriminatory freight rates.
- 12-12 The Canadian Transport Commission should assume an adjudicative role in disputes arising as a result of one railway company applying for the use of the tracks owned and maintained by another railway company, as recommended by the Task Force.
- 12-13 The research activities of the Canadian Transport Commission should be confined to the adjudicative and regulatory processes. Policy or technical research should be carried out through Transport Canada because of the ultimate effect this research has upon final government policy decisions.
- 12-14 The Task Force recommends that the Canadian Transport Commission should develop effectiveness measures for its rail programs, and should publish the results of its evaluation in its annual report.

#### VIA Rail

- 12-15 The Task Force recommends that VIA Rail should be given the flexibility to meet passenger rail service objectives as efficiently as possible. To this end, the Task Force recommends that the federal government prepare a VIA Rail Canada Act which would:
- a) define the role and mandate of VIA;
  - b) give VIA ownership or control of rolling stock, maintenance facilities, operating staff, and stations;
  - c) give VIA freedom to use whichever rail lines are most appropriate to service requirements; and
  - d) establish priority for passenger trains over freight trains.
- 12-16 The Task Force recommends that the federal government, in consultation with the Province, should provide VIA Rail with broad service objectives and criteria to be met within identified rail corridors. In this way, VIA would have a free hand to design, operate and promote passenger rail services as efficiently as possible within overall funding levels established by Transport Canada.
- 12-17 The Task Force recommends that the funding level for VIA Rail should be reviewed on a continuing basis by Transport Canada to ensure that it is sufficient to meet national and provincial objectives.
- 12-18 The Task Force recommends that a liaison committee be established between the Ministry of Transportation and Communications and VIA Rail as a mechanism to discuss and resolve operational issues of concern to the Province.
- 12-19 The Task Force recommends that appropriate federal legislation be drawn up or amended to enable VIA Rail to enter into contracts with the Province to provide provincially funded rail services as required.

#### The Railways

- 12-20 The Task Force recommends that the Railway Act be amended to make the railways subject to all appropriate provincial legislation. This provincial legislation should include: The Environmental Assessment Act; The Planning Act; The Environmental Protection Act; The Business Corporations Act; and The Corporations Information Act (1976).
- 12-21 The railways should be made subject to the Combines Investigation Act, as recommended in Chapter VII.
- 12-22 The railways should adjust their operations to provide for shared use of trackage as recommended in Chapter II.

#### The Government of Ontario

- 12-23 Where the Province seeks to develop a role outside its commonly-accepted jurisdictional authority, a simple federal-provincial agreement relating to the delegation of federal responsibility in a particular area should be sufficient to give the Province the ability to act.
- 12-24 The Task Force recommends that the Province consider participating financially in those railway program components which provide broader benefits to Ontario in addition to specific transportation services.
- 12-25 In the interest of maintaining the railways as functioning business enterprises in the private sector, government financial support should take the form of tax incentives and capital grants rather than operating

subsidies.

12-26

The Task Force recommends that the Province implement the recommendations contained within this report through an arm of the provincial government specifically organized and equipped to deal with the broad range of concerns expressed by the Task Force.

12-27

The Task Force recommends the Ontario Task Force on Provincial Rail Policy reconvene from time to time to examine and review rail policy and recommend adjustments as necessary.





## SUMMARY OF RECOMMENDATIONS BY JURISDICTION OR RESPONSIBILITY

Different agencies and levels of government will have varying degrees of involvement and responsibility for implementing the recommendations in this report. For ease of identification, the recommendations have been assigned under the headings of 'Provincial', 'Federal', 'Municipal', 'Canadian Transport Commission', 'Railways', and 'VIA Rail'. Please note that some recommendations are repeated in more than one area.

### PROVINCIAL

- 1-1 The Province should encourage the use of rail and bus for passenger transportation, and rail and marine for freight transportation, where appropriate, since these can be the most energy efficient modes.
- 1-2 The Province, in addition to actively encouraging a shift to the more energy-efficient modes, should explore all methods for reducing the transportation usage of petroleum-based fuels.
- 1-3 The Province should work toward safeguarding the public interest by ensuring the continuing availability of vital rail services.
- 1-4 The Province should act as a catalyst to encourage and help implement new rail services or improvements that are in the public interest and could not be implemented by the private sector alone; services in the interest of reducing environmental disruption or of conserving energy are in this category.
- 1-5 The Province should serve as a mediator to facilitate cooperation and coordination between rail and the other modes of transport in order to ensure development of the most effective *total* transportation system.
- 1-6 The Province should act as a spokesman and intervene on behalf of the users and operators of rail services and assist them in their negotiations in order to protect the public interest.
- 1-7 The Province should ensure that service levels to the public are maintained and not prejudiced as a result of reluctance by governments or by the railways to expand facilities or because of a system that indirectly rewards poor service.
- 1-8 The Province should take a direct interest in local, regional and commuter services within its borders and a strong supporting interest in interprovincial or international services.
- 1-9 The Province should help to protect the quality of life by minimizing negative community impact and striving to ensure safe rail operations.
- 1-10 The Province should provide financial assistance for the construction of railway plant or purchasing of equipment where broader provincial public objectives are served by such assistance.
- 3-1 The Task Force believes the Province should promote the improvement of railway passenger service as an essential part of a program to enhance the total transportation system.
- 3-4 The Task Force recommends that in order to achieve a high level of efficiency in terms of distribution of scarce resources, initially the Province should support priority improvements in specific links in the transportation system, such as the Windsor-Quebec City Corridor, rather than press for overall system improvements.
- 3-5 The Task Force recommends that while the transcontinental passenger service should be continued as a superior heritage trip, it should be re-examined by the federal government in an effort to minimize its costs and disentangle its present role from serving the transportation needs of the local communities along its route.
- 3-6 The Province should initiate negotiations for the development of appropriate local and regional rail services for isolated northern communities.
- 3-7 The Province should actively encourage the restoration of strong passenger rail links with U.S. systems and cities. To this end, the Province should, in concert with the States of Michigan and New York,

## PROVINCIAL

- press for restoration of through running of passenger equipment between Ontario and U.S. destinations, and between New York and Michigan destinations serving Ontario points between.
- 3-8 The Province, in concert with neighbouring States, should undertake market surveys of the potential for increased rail traffic between Canada and the United States in order to develop the information needed to specify the most appropriate routes and schedules for discussion with VIA Rail and Amtrak.
- 3-10 The Province should consult with the Ontario travel industry as to the requirements for greater awareness and use of the rail mode for suitable journeys between the U.S. and Canada, and for the simplification of reservation procedures, information and ticketing procedures.
- 3-11 The Province should encourage the use of Canadian trunk lines for any restoration of U.S.-U.S. passenger service between the Windsor-Sarnia and Niagara gateways.
- 3-15 The Province should actively participate in an investigation of high speed rail options in the Windsor-Quebec City Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of study and have been discussed in the previous chapter.
- 3-16 The Province, the federal government, the railways and the municipalities should develop the technical and financial means to more effectively protect or eliminate grade crossings in the Windsor-Quebec City Corridor at a rate that will ensure the early implementation of a high speed rail service.
- 3-18 The Province should actively negotiate coordination of train and bus services in the corridor, directed to achieving highest *combined* ridership on fair business terms.
- 3-21 The Province should publish guidelines indicating where retention of central locations for rail passenger stations is desirable in the general provincial interest and that of the host community.
- 3-22 The Province should act as broker-coordinator to ensure that multi-modal transport centres can be established by communities that require them.
- 3-23 The establishment of intermodal stations should be assisted by the Province through provision of technical and financial help in the preparation of plans for revitalization or resiting of rail stations. These plans should consolidate rail access with rural and intercity bus services, urban transit, airport transfer, rental car facilities, taxi headquarters, travel agents, restaurants and other services for the traveller.
- 3-24 In large cities it may be desirable to add suburban stations to afford easy access from outlying residential areas. The Province should encourage and assist in site selection and the provision of adequate parking facilities.
- 3-25 The Province should have a role in determining which railway stations should be maintained for some appropriate purpose, such as rail passenger station, intermodal terminal, as a building of historical significance, or other use.
- 3-26 The Province should encourage municipalities to investigate such railway stations and their potential.
- 3-27 The Province should inform the CTC that it wishes to be notified in all cases of applications requesting closure of stations.
- 3-28 The degree of provincial intervention in such closure applications should be determined on a case-by-case basis, following local consultation.
- 3-29 The Province should provide information to the public on the transportation services now available to the physically disabled and on existing policies that apply to the various transportation modes.
- 3-30 The Province should improve the accessibility of its existing commuter rail services to ambulatory physically disabled travellers through appropriate modifications of special designated vehicles on selected trains and by embarking upon a staged program for alterations to the most highly utilized stations.
- 3-31 The Task Force recommends that access for physically disabled persons should be included in the design stages of new commuter rail facilities.



## Provincial—(Cont.)

- 3-32 Training programs should be instituted by rail service operators in cooperation with appropriate agencies, to familiarize railway personnel with the needs of the disabled as well as to improve staff sensitivity toward those needs.
- 3-33 The Province should endorse the commitments made by VIA Rail to include accessibility features for disabled persons in major vehicle and station renovations.
- 3-34 The Province should actively support the use of rail transportation to a given recreation destination wherever that service can be shown to be either self-sustaining or of sufficient additional benefit to the provincial economy to justify a financial contribution to the service.
- 3-35 Detailed cost-benefit studies should be conducted by the Ontario government to determine the feasibility of providing rail service to selected high potential tourist destinations in the province.
- 3-36 The Province should consider developing a demonstration service to the 'four seasons' Collingwood-Wasaga Beach area. Rail has the potential for providing a safer, less weather-dependent mode of winter travel to ski facilities as well as easing weekend highway congestion on a year-round basis.
- 3-37 Since off-shore visitors are generally more accustomed to travel by rail and make up a large part of the potential Ontario tourist market, the Province should ensure that information on rail travel and rail travel packages is included in any promotion programs addressed to the off-shore market.
- 3-38 Since railways have power to refuse passage over their lines, and do so, the Province should negotiate on behalf of rail enthusiast associations and others to have the railways allow chartered excursions over other than VIA-operated rail lines.
- 4-1 GO Transit is the strongest area of direct rail involvement by the Province. Every effort should be made to ensure it is fully developed and reinforced by the federal as well as the Ontario government.
- 4-3 The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator.
- 4-4 Long trains running nearly empty over much of their route are not energy productive or economically justifiable. Therefore, the Task Force believes that when these factors are considered and cost effectiveness is marginal, buses should be the preferred alternative to the use of trains for commuter service.
- 4-5 The Province should encourage municipalities to develop land use policies which provide for higher density uses adjacent to present or future commuter rail stations.
- 4-6 The Task Force recommends that GO Transit should, in the interests of energy efficiency, continue its vigorous marketing program in order to increase its ridership.
- 4-7 The Task Force recommends that the Toronto commutershed for rail purposes should be considered to be the territory within a line linking Burlington-Milton-Georgetown-Newmarket-Stouffville-Claremont-Brock Road-Pickering. However, the Task Force recognizes that other factors may indicate the need for extension of a particular service to as specific community.
- 4-9 The Province should encourage our larger municipalities to retain the option of providing commuter transit services by rail if potential rights-of-way or undeveloped corridors now exist.
- 4-10 The Province should examine other metropolitan areas such as London and Hamilton to determine their potential to support com-

## Provincial — (Cont.)

- muter rail services.
- 4-11 The Ottawa Metropolitan area in particular should receive early consideration. However, because the Ottawa commuting area extends across provincial boundaries, any study of area that must take place in consultation with the Province of Quebec and the National Capital Commission in order to establish the potential for an interprovincial-metropolitan commuter rail service.
- 5-1 The Ontario Government should assume a more forceful role in administering and influencing local and regional rail services to ensure that the overall transportation needs of Ontario citizens are adequately considered and satisfied.
- 5-2 In order to determine systematically the magnitude and nature of the provincial involvement in various rail services, the Government of Ontario should prepare a Master Rail Plan which classifies the rail lines and services in Ontario according to whether they are:
- a) strictly local or regional in function;
  - b) interprovincial or international in function; or
  - c) dual function lines serving both local or regional and interprovincial or transborder traffic.
- 5-3 After regional rail lines have been identified in the Master Rail Plan, the Province should examine all lines to determine the extent of passenger services required in each area.
- 5-4 The Ontario Government should use the Master Rail Plan as a basis for determining and negotiating the degree of direct or indirect provincial involvement in the provision of various rail services in the province, and to influence their form and quality. It should also be used as the basis for continuing discussions with the users, the railways and the federal government.
- 5-5 The Task Force recommends that the Province encourage its municipalities to indicate the rail service they perceive as important to their communities, with a view to requesting the Province to negotiate with the appropriate authorities for new, reinstated or supplementary rail services.
- 5-6 The Task Force recommends that no rail line should be abandoned without a thorough study by the Province of its local impact and its role within the provincial network.
- 5-7 The Province should investigate all existing and dormant branch lines in order to establish a policy position and justification for maintaining, abandoning or reactivating service in each case.
- 5-8 The Task Force recommends that branch line investigations should consider future needs in relationship to the entire rail network. These studies will result in the definition of an 'ideal' branch line network for Ontario.
- 5-9 The Task Force recommends that in cases of abandonment, studies should also include possible future needs in the areas of transportation, utility and transmission lines and recreational corridors for such sports as hiking and skiing and snowmobiling.
- 5-10 On the basis of these studies, abandoned rights-of-way which have a near term future railway use should be retained by the railways and all others should be transferred to the Province for a nominal sum.
- 5-11 The Task Force recommends that the Province should establish a rights-of-way management program to administer any abandoned rail corridors in provincial ownership.
- 5-12 Because some rights-of-way also bisect municipalities, the Province should assist the municipalities in putting to best use any vacant, underutilized or abandoned rights-of-way and facilities through the preparation of railway land revitalization guidelines.
- 5-13 The Province should undertake a fact-finding reappraisal, concerning

## Provincial – (Cont.)

- the need for rail passenger service in the Bruce area which might take the following form:
- (1) a 'once and for all' monitored experiment with a 'Budd' car, fare to be set at roughly half cost recovery, the remaining costs to be shared by the Province and the federal government.
  - (2) explore possible private operation of a selected line for passenger or shared passenger-freight use, along the lines of the New York State experience;
  - (3) involve VIA Rail, Transport Canada and the CTC in a passenger rail study, overlaying the results of the current Bruce freight network rationalization study.
- 6-1 The Province should continue to intervene, on behalf of unorganized Northern Ontario communities, in any proceedings dealing with proposals to change railway services in Northern Ontario. The extent of provincial involvement will be determined by the effect of the changes as identified by community impact studies.
- 6-2 The Province should act on behalf of those resource industries that are adversely affected by high freight rates and poor railway service by monitoring the rates, assessing problems of rail service and attempting to influence change where required.
- 6-3 The Province should explore the required legal steps to provide for the changes which would enable any railway company's cars to operate on any tracks through reciprocity arrangements. This would allow customers to be served with suitable equipment over the shortest possible journey.
- 6-4 The Province should provide financial support in some form so that specific resource industries can achieve their needs for special purpose rolling stock.
- 6-5 As part of the larger resource development effort, the Province should be prepared to invest in new railway infrastructure on a case-by-case basis.
- 6-6 The Task Force recommends that any negotiations between the Province and VIA Rail concerning responsibility for passenger service in the Northeast Corridor should be undertaken independent of other passenger rail services which are not functionally connected.
- 6-7 The Province should consider acquisition of the CN route from North Bay south to Toronto, which carries only moderate local traffic.
- 7-1 The Task Force believes governments should take every step to enhance use of the rail mode for the movement of goods and commodities. This includes the active promotion of rail freight as an essential service, strategically important to the economic well-being of both Ontario and Canada.
- 7-2 The Task Force urges that the rail freight system continue to be modernized, with early consideration given to the development of lighter, higher speed freight trains, electrified where practical.
- 7-3 The Task Force recommends that the Province be particularly vigilant about the reduction of freight service on branch lines.
- 7-4 The Task Force believes that governments should foster technological and design developments, such as fully mechanized intermodal terminals with good highway access, through which truckers can be induced to utilize rail for the line haul.
- 7-5 The Province should encourage the increased use of piggyback or container services by:
- a) Providing loans or tax incentives as an inducement to the early construction of additional modern intermodal terminals.
  - b) Providing convenient and direct highway access to all intermodal terminals; and
  - c) Negotiating with railway and trucking officials to develop cooperative intermodal services for the mutual benefit of both operators and their customers.
- 7-6 The Province should extend grants, direct loans or tax incentives to encourage the provision of private railway sidings and containers or special loading equipment which would allow for more convenient access to the rail mode.
- 7-7 The Province should extend grants or other financial incentives to industry for the manufacture of special purpose cars.



## Provincial—(Cont.)

- 7-8 The Province should give consideration to establishing a pool of freight cars of several types to be owned by the Province.
- 7-9 The Province should monitor freight rates to identify cases of rate discrimination for both Ontario shippers and receivers.
- 7-14 The Province should act on behalf of Ontario's resource industries that are adversely affected by high rail freight rates and poor railway service by monitoring the rates, assessing problems of rail service and attempting to influence changes where they are required.
- 7-15 The Province should encourage the use of rail as the major transportation mode for the delivery of mineral aggregates over long distances.
- 7-16 The Province should be prepared to invest in necessary new rail infrastructure on a case-by-case basis.
- 8-1 The Task Force recommends that the federal government amend existing legislation to ensure that railway company costing information now available to the Minister of Transport and Canadian Transport Commission is made freely accessible to appointed representatives of the provincial government sworn to secrecy. This should be available without the time-consuming requirement for application and justification through the Minister of Transport.
- 8-2 The federal government should ensure, through appropriate regulations, that railway company charges to publicly-supported railway passenger services be restricted to a level no higher than that railway's cost of providing the service.
- 9-2 The Task Force recommends that direct government research and development efforts should be addressed to long-term strategic planning and projects with uncertain paybacks.
- 9-3 Through tax and other incentives, government should encourage railways, the manufacturing industry and others in the private sector to research those technological developments with lower risks and shorter payback periods.
- 9-4 Government incentives towards increased research and development should be concentrated on the high technology industries such as communications and control.
- 9-5 The Task Force recommends that railway research projects leading to greater fuel and operating efficiencies should be actively supported. These projects would include the development of more fuel-efficient engines and new rolling stock with significant reductions in tare weight.
- 9-6 The Province should assist in the demonstration of new rail technology developments in the domestic market as a showpiece for export sales.
- 9-7 The Province, along with the federal government should take all possible steps to negotiate the removal of the restrictions in the 'Buy America Act' as they apply to exports of railway technology to the U.S.A.
- 9-8 The Province should designate at least four mutually reinforcing centres of innovative railway excellence, and encourage developments in those centres which will lead to a major export potential in the rail transportation field.
- 10-1 The Province should endorse railway electrification for its total transportation advantages, as well as for the greater security resulting from both direct and indirect reduction in use of oil as a transportation fuel in Ontario.
- 10-2 The Province, the federal government and the railways should take specific and immediate measures to protect the electrification option.
- 10-3 The Province should complete negotiations with the federal government to ensure adequate clearances on structures over rail lines which are likely candidates for electrification, including grade separations.
- 10-4 The Province should identify and seek the removal of impediments to electrification. For example, municipal assessment on fixed plant (overhead wires, etc.) and federal capital cost allowance rates act as disincentives to railway investment in electrification.

Provincial – (Cont.)	10-5	The Province should join with the federal government in developing appropriate parameters and compatible standards for the necessary electrification works.
	10-6	The Province should prepare for future change by completing current planning studies and carrying out detailed design and financial implementation studies needed to validate and implement electrification of the Lakeshore portion of the GO Transit commuter rail network.
	10-7	The Province should work jointly with the federal government to examine the implications of simultaneous electrification of the Windsor-Quebec City Corridor.
	10-8	The Province and the federal government should encourage research and development and other preparations for Canadian industrial participation in future electrification plans.
	10-9	The Task Force recommends that the full potential of hydrogen as an alternative fuel should be explored and adopted within the Canadian rail system, moving quickly to take advantage of Canada's early research into this option.
	10-10	With the power generation potential of the Onakawana lignite deposits, and in consideration of future land use and developments along the Ontario Northland Railway line, the Province should also protect the option of electrification of the ONR in whole or in part.
	11-1	The Province should request that the federal government enable the CTC to assume full responsibility for the safety inspection and regulation of the railways rather than allow the continuation of the current practice of self-regulation by the railways.
	11-7	If it is deemed necessary, the Province should obtain sufficient qualified resources to enforce complementary additional standards in rail transportation along with minimum federal standards for dangerous goods rail cars.
	11-18	The Task Force recommends that a federal-provincial committee should be created in order to define the respective roles and responsibilities in a contingency situation for governments as well as the railway companies, and passengers and shippers using rail services.
	11-19	A provincial coordinating agency should be formed to complement the existing Federal Emergency Planning Agency. In line with this coordinating body, there is a need to establish a provincial operations centre which, in addition to its emergency function, could also provide adequate communications and information to the public.
	11-20	The Task Force recommends that the provincial operations centre should include representatives from the Ministries of the Attorney General, Solicitor General, Health, Transportation and Communications, Northern Affairs, and Intergovernmental Affairs, with possible additional representatives from the Ministries of Energy, Environment, Natural Resources and Treasury and Economics.
	11-21	In the event of a national emergency, the Task Force believes that the existing Federal Emergency Planning Agency should be asked to indicate the role of the provincial group in working with those responsible at the federal level.
	11-22	The Task Force recommends that a plan should be developed by the senior governments which would guarantee fuel availability for railway needs, should some form of crisis create a shortage of petroleum.
	11-23	Through the preparation of policies and planning guidelines, the Province should assist municipalities to reduce their land use conflicts arising from rail-related operations and to deal with railway issues, generally.
	11-24	In order to clarify the respective role and responsibilities of the railways with respect to land use planning, the Province, with federal cooperation, should develop a process that would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.
	11-25	The Province should initiate the development of impact standards with which railways will have to comply in their operations. To this end, the information base on the environmental impact of railways, particularly in the Ontario context, should be improved.

## Provincial — (Cont.)

- 11-26 The Province's policy directions should specify:
- a) allowable limits for railway source nuisances;
  - b) abatement measures to achieve these allowed limits;
  - c) specific designation of railway lands in Official Plans;
  - d) recognition of railways as a component of the community;
  - e) recognition of community safety vis-a-vis railway operations;
  - f) legislated designation of routes for dangerous goods;
  - g) a formal mechanism for coordination and communication between governments and the railways on land use planning matters;
  - h) guidelines for design of rail-served industrial subdivisions.
- 11-27 Where commuter rail services exist or are under consideration, the Province should ensure that future land use activities will both benefit from and support the commuter rail system to the highest degree possible.
- 11-28 The Province should investigate the means of enforcing existing Ontario legislation and regulations within railway rights-of-way in matters relating to land use planning, environment, labour and agriculture.
- 11-29 In conjunction with the railways being made subject to provincial legislation, specifically The Planning Act, the Task Force recommends that the Province should ensure that the railways are not held solely responsible for any perceived negative impacts as a result of actions by municipalities or others under provincial control.
- 11-30 The Province should take a strong position in railway rationalization and relocation studies to ensure that provincial interests as well as local interests are protected.
- 11-31 The extent of provincial interest in railway rationalization or relocation studies will form the basis for provincial financial involvement in the studies.
- 12-1 Because of the importance of rail in the overall transportation system in Ontario, the process of planning and implementing federal rail policies should involve the full participation of the Government of Ontario.
- 12-5 The federal government, in consultation with the Province(s), should enunciate a clearly defined national transportation policy stressing the importance of rail transportation for both passenger and freight. Within this policy, it is essential to develop a national rail strategy. Such an undertaking would provide goals and objectives within which the federal government, the railways, the CTC, VIA Rail and the Province(s) could work together to achieve maximum system utility and efficiency. This national transportation policy must also include a national energy strategy which identifies rail as an energy-efficient mode, provides support for its appropriate roles, and assists in modal shifts.
- 12-6 The Task Force recommends that regular liaison meetings be held between the federal and provincial ministers responsible for transportation to ensure that there is continuous and effective provincial involvement and exchange of information on rail policy or service issues.
- 12-9 The Task Force recommends that provincial input should not be restricted solely to intervention through the Canadian Transport Commission hearing process. Provincial governments should be able to discuss the services required in their provinces directly with the Minister of Transport as part of the policy development process and have those needs reflected in the policy direction given to the Canadian Transport Commission.
- 12-6 The Task Force recommends that the federal government, in consultation with the Province, should provide VIA Rail with broad service objectives and criteria to be met within identified rail corridors. In this way, VIA would have a free hand to design, operate and promote passenger rail services as efficiently as possible within overall funding levels established by Transport Canada.
- 12-18 The Task Force recommends that a liaison committee be established between the Ministry of Transportation and Communications and VIA Rail as a mechanism to discuss and resolve operational issues of concern to the Province.
- 12-19 The Task Force recommends that appropriate federal legislation be



**Provincial – (Cont.)**

- drawn up or amended to enable VIA Rail to enter into contracts with the Province to provide provincially funded rail services as required.
- 12-20 The Task Force recommends that the Railway Act be amended to make the railways subject to all appropriate provincial legislation. This provincial legislation should include; The Environmental Assessment Act; The Planning Act; The Environmental Protection Act; The Business Corporations Act; and The Corporations Information Act ( 1976).
- 12-23 Where the Province seeks to develop a role outside its commonly-accepted jurisdictional authority, a simple federal-provincial agreement relating to the delegation of federal responsibility in a particular area should be sufficient to give the Province the ability to act.
- 12-24 The Task Force recommends that the Province consider participating financially in those railway program components which provide broader benefits to Ontario in addition to specific transportation services.
- 12-25 In the interest of maintaining the railways as functioning business enterprises in the private sector, government financial support should take the form of tax incentives and capital grants rather than operating subsidies.
- 12-26 The Task Force recommends that the Province implement the recommendations contained within this report through an arm of the provincial government specifically organized and equipped to deal with the broad range of concerns expressed by the Task Force.
- 12-27 The Task Force recommends that the Ontario Task Force on Provincial Rail Policy reconvene from time to time to examine and review rail policy and recommend adjustments as necessary.

**FEDERAL**

- 2-1 The Task Force recommends that a planning standard initially of 125 mph be adopted for designated high speed passenger routes, progressive steps being taken towards this goal in revenue service as equipment permits.
- 2-2 To protect corridor track for these higher speeds, the Task Force recommends that loaded jumbo freight cars with gross weights somewhere between 100 and 130 tons (car plus load) should not be hauled over jointed track designated for use by high speed passenger trains, but should be diverted.
- 2-3 The Province should urge the federal government to require that all railways be permitted the use of another railway company's tracks for a fair fee, when that joint use will improve the cost and service to the public.
- 3-3 The Province should influence the federal government to ensure that passenger rail fares reflect the true value of service provided and thereby ensure fair competition between the rail and bus modes.
- 3-4 The Task Force recommends that in order to achieve a high level of efficiency in terms of distribution of scarce resources, initially the Province should support priority improvements in specific links in the transportation system, such as the Windsor-Quebec City Corridor, rather than press for overall system improvements.
- 3-6 The Province should initiate negotiations for the development of appropriate local and regional rail services for isolated northern communities.
- 3-9 The Province should negotiate with the federal government for the removal of any impediments to the en-route processing of transborder passengers. Passenger convenience and government administration problems could well be served through prior customs and immigration processing at originating points, as one example.
- 3-11 The Province should encourage the use of Canadian trunk lines for any restoration of U.S.-U.S. passenger service between the Windsor-Sarnia and Niagara gateways.
- 3-12 The Province should seek the attainment of higher effective speeds and more time reliable services to shorten travel time and improve punctuality as incentives for shifting a greater number of people to rail transportation, especially in this main corridor.
- 3-13 The Task Force recommends that the federal government verify that the LRC trainsets can be operated in regular corridor service at speeds up to 125 mph without inflicting unacceptable levels of damage to the

## FEDERAL—(Cont.)

- track. In the event that these speeds cannot be sustained due to high locomotive wheel impacts, then the design of the LRC locomotive should be appropriately modified for high-speed corridor service.
- 3-14 The Task Force urges the federal government to proceed with development of specifications for new generation electrically powered high speed corridor trains.
- 3-15 The Province should actively participate in an investigation of high speed rail options in the Windsor-Quebec City Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of study and have been discussed in the previous chapter.
- 3-16 The Province, the federal government, the railways and the municipalities should develop the technical and financial means to more effectively protect or eliminate grade crossings in the Windsor-Quebec city corridor at a rate that will ensure the early implementation of a high speed rail service.
- 3-17 The Province should seek appropriate up-grading of the Windsor-Quebec City Corridor, including attention to the roadbed, rolling stock, signalling, overhead structures, etc., in order to achieve high speed rail service.
- 3-19 The Task Force recommends that delays to passenger trains by freight trains in the corridor be eliminated by all possible means, such as more power on freight trains, rescheduling or diversion of freight trains, adding third track, signalling improvements, or dedicated passenger track.
- 3-20 The federal government should take appropriate steps to ensure that passenger trains be given legal track priority over freight trains.
- 3-38 Since railways have power to refuse passage over their lines, and do so, the Province should negotiate on behalf of rail enthusiast associations and others to have the railways allow chartered excursions over other than VIA-operated rail lines.
- 4-1 GO Transit is the strongest area of direct rail involvement by the Province. Every effort should be made to ensure it is fully developed and reinforced by the federal as well as the Ontario government.
- 4-2 The Task Force recommends that the federal government ensure through regulation that railway company charges for government sponsored commuter services be limited to a level no higher than the railway's costs of providing that service.
- 4-3 The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator.
- 4-8 The Task Force believes that the federal government should regard financial support of commuter services as being in the national interest.
- 5-4 The Ontario Government should use the Master Rail Plan as a basis for determining and negotiating the degree of direct or indirect provincial involvement in the provision of various rail services in the Province, and to influence their form and quality. It should also be used as the basis for continuing discussions with the users, the railways, and the federal government.
- 5-13 The Province should undertake a fact-finding reappraisal, concerning the need for rail passenger service in the Bruce area which might take the following form:
- (1) a 'once and for all' monitored experiment with a 'Budd' car, fares to be set at roughly half cost recovery, the remaining costs to be shared by the Province and the federal government.
  - (2) explore possible private operation of a selected line for passenger or shared passenger-freight use, along the lines of the New York State experience;
  - (3) involve VIA Rail, Transport Canada and the CTC in a passenger rail study, overlaying the results of the current Bruce freight network rationalization study.
- 6-3 The Province should explore the required legal steps to provide for the changes which would enable any railway company's cars to operate

**FEDERAL—(Cont.)**

- on any tracks through reciprocity arrangements. This would allow customers to be served with suitable equipment over the shortest possible journey.
- 6-8 The Task Force recommends that all common carrier railways be made eligible for any existing or future federal rail support programs, whether or not they fall under the jurisdiction of the Railway Act.
- 7-1 The Task Force believes governments should take every step to enhance use of the rail mode for the movement of goods and commodities. This includes the active promotion of rail freight as an essential service, strategically important to the economic well-being of both Ontario and Canada.
- 7-2 The Task Force urges that the rail freight system continue to be modernized, with early consideration given to the development of lighter, higher speed freight trains, electrified where practical.
- 7-4 The Task Force believes that governments should foster technological and design developments, such as fully mechanized intermodal terminals with good highway access, through which truckers can be induced to utilize rail for the line haul.
- 7-10 The Task Force recommends that the federal government amend the Railway Act to ensure that the railways become subject to the terms of the Combines Investigation Act, rather than being allowed to cooperate in the setting of freight rates.
- 7-11 The Task Force recommends that the federal government adopt the principle of shared use and require equitable access to tracks by all railway users regardless of ownership.
- 7-12 The Province should request the federal government to both shorten and strengthen the process of appeal against excessive freight rates.
- 7-13 The Province should urge the federal government to seek means of providing subsidies to shippers of grain which would be more appropriate than current statutory grain rates.
- 8-1 The Task Force recommends that the federal government amend existing legislation to ensure that railway company costing information now available to the Minister of Transport and Canadian Transport Commission is made freely accessible to appointed representatives of the provincial government sworn to secrecy. This should be available without the time-consuming requirement for application and justification through the Minister of Transport.
- 8-2 The federal government should ensure, through appropriate regulations, that railway company charges to publicly-supported railway passenger services be restricted to a level no higher than that railway's cost of providing the service.
- 9-1 There should be a strong federal government commitment to support and encourage a level of railway research and development at least proportional to the research and development share of the economy as a whole. Any discussion of railway research requirements and priorities must involve the full participation of the railway industry.
- 9-2 The Task Force recommends that direct government research and development efforts should be addressed to long-term strategic planning and projects with uncertain paybacks.
- 9-3 Through tax and other incentives, government should encourage railways, the manufacturing industry and others in the private sector to research those technological developments with lower risks and shorter payback periods.
- 9-4 Government incentives towards increased research and development should be concentrated on the high technology industries such as communications and control.
- 9-5 The Task Force recommends that railway research projects leading to greater fuel and operating efficiencies should be actively supported. These projects would include the development of more fuel-efficient engines and new rolling stock with significant reductions in tare weight.
- 9-7 The Province, along with the federal government should take all possible steps to negotiate the removal of the restrictions in the 'Buy America Act' as they apply to export of railway technology to the U.S.A.
- 10-2 The Province, the federal government and the railways should take specific and immediate measures to protect the electrification option.



## FEDERAL—(Cont.)

- 10-3 The Province should complete negotiations with the federal government to ensure adequate clearances on structures over rail lines which are likely candidates for electrification, including grade separations.
- 10-4 The Province should identify and seek the removal of impediments to electrification. For example, municipal assessment on fixed plant (overhead wires, etc.) and federal capital cost allowance rates act as disincentives to railway investment in electrification.
- 10-5 The Province should join with the federal government in developing appropriate parameters and compatible standards for the necessary electrification works.
- 10-7 The Province should work jointly with the federal government to examine the implications of simultaneous electrification of the Windsor-Quebec City Corridor.
- 10-8 The Province and the federal government should encourage research and development and other preparations for Canadian industrial participation in future electrification plans.
- 10-9 The Task Force recommends that the full potential of hydrogen as an alternative fuel should be explored and adopted within the Canadian rail system, moving quickly to take advantage of Canada's early research into this option.
- 11-1 The Province should request that the federal government enable the CTC to assume full responsibility for the safety inspection and regulation of the railways rather than allow the continuation of the current practice of self-regulation by the railways.
- 11-2 The CTC should be required to pursue all violations of its regulations committed by the railways as well as respond to all railway employee complaints concerning safety matters.
- 11-3 The Task Force recommends that the responsibility for investigating and reporting on accidents should be transferred to Transport Canada from the CTC in order to separate the investigative role from the judicial role.
- 11-4 The federal government should require the rerouting of dangerous goods rail traffic around population centres. Routes through cities should be avoided when alternative routes exist as is the case in the Toronto area.
- 11-5 The federal government should require that dangerous goods be consolidated in special trains, which would operate within specific route, time and speed constraints.
- 11-6 The federal government should require that cars containing dangerous goods should be segregated relative to their potential hazard while in both trains and switching yards. Limits should be put on the quantities of dangerous goods carried per train, except where special trains are utilized.
- 11-8 The Task Force recommends that priority should be given to the upgrading of infrastructure, rolling stock, and control and operating systems in corridors where dangerous goods are transported by rail.
- 11-9 The Task Force believes that it should be required practice for the railways to track both regular and special movements of highly toxic chemicals, fuels, etc., particularly through and near high population areas.
- 11-10 The Task Force recommends that the federal government must continue its legislated long-standing commitment and sustain the grade separation program with increased funding levels that meet Ontario's safety needs.
- 11-11 The Task Force recommends that the railways should initiate monitoring programs and improve the current maintenance inspection program for both track and rolling stock to offset the damage caused by the increased loads carried by the rail system. Consideration should be given to lighter rail equipment.
- 11-12 The Task Force recommends that the railways should install additional safety monitoring devices such as hot box detectors along main lines and as well ensure that information from these detectors indicating faulty railway equipment is acted upon promptly.
- 11-13 The Task Force recommends that the selective application of more

## FEDERAL—(Cont.)

- modern control and signalling systems, along with improved communications technology, should be undertaken by the railways.
- 11-15 The Task Force recommends that an active research and development program directed towards railway safety should also be initiated to examine present infrastructure technology and the potential improvements in rail safety that are available through system innovations.
- 11-16 The Province should urge upon the federal government the importance of ensuring that safety procedures are installed and are working, from railway management down to train crews and other personnel.
- 11-17 The Task Force recommends the use of independent auditors to report on the adequacy of such systems and procedures.
- 11-18 The Task Force recommends that a federal-provincial committee should be created in order to define the respective roles and responsibilities in a contingency situation for governments as well as the railway companies, and passengers and shippers using rail services.
- 11-21 In the event of a national emergency, the Task Force believes that the existing Federal Emergency Planning Agency should be asked to indicate the role of the provincial group in working with those responsible at the federal level.
- 11-22 The Task Force recommends that a plan should be developed by the senior governments which would guarantee fuel availability for railway needs, should some form of crisis create a shortage of petroleum.
- 11-24 In order to clarify the respective role and responsibilities of the railways with respect to land use planning, the Province with federal cooperation, should develop a process that would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.
- 11-28 The Province should investigate the means of enforcing existing Ontario legislation and regulations within railway rights-of-way in matters relating to land use planning, environment, labour and agriculture.
- 12-1 Because of the importance of rail in the overall transportation system in Ontario, the process of planning and implementing federal rail policies should involve the full participation of the Government of Ontario.
- 12-2 The federal government has the responsibility for the financial support of the rail transportation system and for a strong program of research and development to ensure that Canada has the best rail system for our needs. It should continue and improve upon those commitments.
- 12-3 The Task Force recommends that the federal government, through the crown-owned Canadian National Railways, has a further obligation to ensure that rail freight and passenger services in the national interest take precedence over purely 'profit' motivations. This principle has been well-established by several Commissions of Inquiry into the rail transportation system in Canada. It should not be watered-down or eliminated in future legislative or policy activities.
- 12-4 The Task Force recommends that in order to reclaim full responsibility for broad national rail policy, the federal government amend the appropriate sections of the National Transportation Act and the Railway Act to rescind the policy advisory role of the Canadian Transport Commission and its authority over both minimum rail passenger services and rail line abandonments. The role of the CTC with respect to abandonments and rail passenger service levels should be limited to advising the Minister of the 'public need'.
- 12-5 The federal government, in consultation with the Province(s), should enunciate a clearly defined national transportation policy stressing the importance of rail transportation for both passenger and freight. Within this policy, it is essential to develop a national rail strategy. Such an undertaking would provide goals and objectives within which the federal government, the railways, the CTC, VIA Rail and the Province(s) could work together to achieve maximum system utility and efficiency. This national transportation policy must also include a national energy strategy which identifies rail as an energy-efficient mode, provides support for its appropriate roles, and assists in modal shifts.

## FEDERAL—(Cont.)

- 12-6 The Task Force recommends that regular liaison meetings be held between the federal and provincial ministers responsible for transportation to ensure that there is continuous and effective provincial involvement and exchange of information on rail policy or service issues.
- 12-8 The Task Force recommends that the Canadian Transport Commission should provide the public hearing mechanism by which the public need for continued passenger or freight services is identified. However, the Canadian Transport Commission should only advise the Minister of Transport on such public needs, rather than decide on the disposition of those services.
- 12-9 The Task Force recommends that provincial input should not be restricted solely to intervention through the Canadian Transport Commission hearing process. Provincial governments should be able to discuss the services required in their provinces directly with the Minister of Transport as part of the policy development process and have those needs reflected in the policy direction given to the Canadian Transport Commission.
- 12-10 The Task Force recommends that the Canadian Transport Commission should continue to regulate design standards, location, construction and safety of the railways. However, the investigative functions with respect to railway accidents should be transferred to Transport Canada to separate the ongoing judicial functions of the Canadian Transport Commission from accident investigation requirements.
- 12-12 The Canadian Transport Commission should assume an adjudicative role in disputes arising as a result of one railway company applying for the use of the tracks owned and maintained by another railway company, as recommended by the Task Force.
- 12-13 The research activities of the Canadian Transport Commission should be confined to the adjudicative and regulatory processes. Policy or technical research should be carried out through Transport Canada because of the ultimate effect this research has upon final government policy decisions.
- 12-15 The Task Force recommends that VIA Rail should be given the flexibility to meet passenger rail service objectives as efficiently as possible. To this end, the Task Force recommends that the federal government prepare a VIA Rail Canada Act which would:
- a) define the role and mandate of VIA;
  - b) give VIA ownership or control of rolling stock, maintenance facilities, operating staff, and stations;
  - c) give VIA freedom to use whichever rail lines are most appropriate to service requirements; and
  - d) establish priority for passenger trains over freight trains.
- 12-16 The Task Force recommends that the federal government, in consultation with the Province, should provide VIA Rail with broad service objectives and criteria to be met within identified rail corridors. In this way, VIA would have a free hand to design, operate and promote passenger rail services as efficiently as possible within overall funding levels established by Transport Canada.
- 12-17 The Task Force recommends that the funding level for VIA Rail should be reviewed on a continuing basis by Transport Canada to ensure that it is sufficient to meet national and provincial objectives.
- 12-19 The Task Force recommends that appropriate federal legislation be drawn up or amended to enable VIA Rail to enter into contracts with the Province to provide provincially funded rail services as required.
- 12-20 The Task Force recommends that the Railway Act be amended to make the railways subject to all appropriate provincial legislation. This provincial legislation should include: The Environmental Assessment Act; The Planning Act; The Environmental Protection Act; The Business Corporations Act; and The Corporations Information Act (1976).
- 12-21 The railways should be made subject to the Combines Investigation Act, as recommended in Chapter VII.
- 12-22 The railways should adjust their operations to provide for shared use of trackage as recommended in Chapter II.
- 12-23 Where the Province seeks to develop a role outside its commonly-accepted jurisdictional authority, a simple federal-provincial



FEDERAL—(Cont.)

MUNICIPAL

- agreement relating to the delegation of federal responsibility in a particular area should be sufficient to give the Province the ability to act.
- 3-16 The Province, the federal government, the railways and the municipalities should develop the technical and financial means to more effectively protect or eliminate grade crossings in the Windsor-Quebec City Corridor at a rate that will ensure the early implementation of a high speed rail service.
- 3-22 The Province should act as broker-coordinator to ensure that multi-modal transport centres can be established by communities that require them.
- 3-23 The establishment of intermodal stations should be assisted by the Province through provision of technical and financial help in the preparation of plans for revitalization or resiting of rail stations. These plans should consolidate rail access with rural and intercity bus services, urban transit, airport transfer and rental car facilities, taxi headquarters, travel agents, restaurants and other services for the traveller.
- 3-24 In large cities it may be desirable to add suburban stations to afford easy access from outlying residential areas. The Province should encourage and assist in site selection and the provision of adequate parking facilities.
- 3-25 The Province should have a role in determining which railway stations should be maintained for some appropriate purpose, such as rail passenger station, intermodal terminal, as a building of historical significance, or other use.
- 3-26 The Province should encourage municipalities to investigate such railway stations and their potential.
- 3-28 The degree of provincial intervention in such closure applications should be determined on a case-by-case basis following local consultation.
- 4-5 The Province should encourage municipalities to develop land use policies which provide for higher density uses adjacent to present or future commuter rail stations.
- 4-9 The Province should encourage our larger municipalities to retain the option of providing commuter transit services by rail if potential rights-of-way or undeveloped corridors now exist.
- 4-10 The Province should examine other metropolitan areas such as London and Hamilton to determine their potential to support commuter rail services.
- 4-11 The Ottawa Metropolitan area in particular should receive early consideration. However, because the Ottawa commuting area extends across provincial boundaries, any study of that area must take place in consultation with the Province of Quebec and the National Capital Commission in order to establish the potential for an interprovincial-metropolitan commuter rail service.
- 5-5 The Task Force recommends that the Province of Ontario encourage its municipalities to indicate the rail service they perceive as important to their communities, with a view to requesting the Province to negotiate with the appropriate authorities for new, reinstated or supplementary rail services.
- 5-12 Because some rights-of-way also bisect municipalities, the Province should assist the municipalities in putting to best use any vacant, underutilized or abandoned rights-of-way and facilities through the preparation of railway land revitalization guidelines.
- 6-1 The Province should continue to intervene, on behalf of unorganized Northern Ontario communities, in any proceedings dealing with proposals to change railway services in Northern Ontario. The extent of provincial involvement will be determined by the effect of the changes as identified by community impact studies.
- 11-23 Through the preparation of policies and planning guidelines, the Province should assist municipalities to reduce their land use conflicts arising from rail-related operations and to deal with railway issues, generally.

<b>MUNICIPAL—(Cont.)</b>	11-24	In order to clarify the respective role and responsibilities of the railways with respect to land use planning, the Province, with federal cooperation, should develop a process that would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.
	11-26	The Province's policy directions should specify: <ul style="list-style-type: none"> <li>a) allowable limits for railway source nuisances;</li> <li>b) abatement measures to achieve these allowed limits;</li> <li>c) specific designation of railway lands in Official Plans;</li> <li>d) recognition of railways as a component of the community;</li> <li>e) recognition of community safety vis-a-vis railway operations;</li> <li>f) legislated designation of routes for dangerous goods;</li> <li>g) a formal mechanism for coordination and communication between governments and the railways on land use planning matters;</li> <li>h) guidelines for design of rail-related industrial subdivisions.</li> </ul>
	11-27	Where commuter rail services exist or are under consideration, the Province should ensure that future land use activities will both benefit from and support the commuter rail system to the highest degree possible.
	11-29	In conjunction with the railways being made subject to provincial legislation, specifically The Planning Act, the Task Force recommends that the Province should ensure that the railways are not held solely responsible for any perceived negative impacts as a result of actions by municipalities or others under provincial control.
	11-30	The Province should take a strong position in railway rationalization and relocation studies to ensure that provincial interests as well as local interests are protected.
<b>CANADIAN TRANSPORT COMMISSION</b>	11-31	The extent of provincial interest in railway rationalization and/or relocation studies will form the basis for provincial financial involvement in the studies.
	3-27	The Province should inform the CTC that it wishes to be notified in all cases of applications requesting closure of stations.
	4-3	The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator.
	7-12	The Province should request the federal government to shorten and strengthen the process of appeal against excessive freight rates.
	11-2	The CTC should be required to pursue all violations of its regulations committed by the railways as well as respond to all railway employee complaints concerning safety matters.
	11-3	The Task Force recommends that the responsibility for investigating and reporting on accidents should be transferred to Transport Canada from the CTC in order to separate the investigative role from the judicial role.
	11-15	The Task Force recommends that an active research and development program directed towards railway safety should also be initiated to examine present infrastructure technology and the potential improvements in rail safety that are available through system innovations.
	12-7	The Task Force recommends that the Canadian Transport Commission should continue to ensure that the rail transportation policy objectives defined by the Government of Canada are fulfilled by the operating railways and VIA Rail.
	12-8	The Task Force recommends that the Canadian Transport Commission should provide the public hearing mechanism by which the public need for continued passenger or freight services is identified. However, the Canadian Transport Commission should only advise the Minister of Transport on such public needs, rather than decide on the disposition of those services.
	12-9	The Task Force recommends that provincial input should not be restricted solely to intervention through the Canadian Transport Commission hearing process. Provincial governments should be able

CANADIAN TRANSPORT  
COMMISSION – (Cont.)

- 12-10 The Task Force recommends that the Canadian Transport Commission should continue to regulate design standards, location, construction and safety of the railways. However, the investigative functions with respect to railway accidents should be transferred to Transport Canada to separate the ongoing judicial functions of the Canadian Transport Commission from accident investigation requirements.
- 12-11 The Canadian Transport Commission should maintain its adjudicative role with respect to an improved rate appeal process for those shippers subject to potentially discriminatory freight rates.
- 12-12 The Canadian Transport Commission should assume an adjudicative role in disputes arising as a result of one railway company applying for the use of the tracks owned and maintained by another railway company, as recommended by the Task Force.
- 12-13 The research activities of the Canadian Transport Commission should be confined to the adjudicative and regulatory processes. Policy or technical research should be carried out through Transport Canada because of the ultimate effect this research has upon final government policy decisions.
- 12-14 The Task Force recommends that the Canadian Transport Commission should develop effectiveness measures for its rail programs, and should publish the results of its evaluation in its annual report.

RAILWAYS

- 2-1 The Task Force recommends that a planning standard initially of 125 mph be adopted for designated high speed passenger routes, progressive steps being taken towards this goal in revenue service as equipment permits.
- 2-2 To protect corridor track for these higher speeds, the Task Force recommends that loaded jumbo freight cars with gross weight somewhere between 100 to 130 tons (car plus load) should not be hauled over jointed track designated for use by high speed passenger trains, but should be diverted.
- 2-3 The province should urge the federal government to require that all railways be permitted the use of another railway company's tracks for a fair fee, when that joint use will improve the cost and service to the public.
- 3-15 The province should actively participate in an investigation of high speed rail options in the Windsor-Quebec City Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of study and have been discussed in the previous chapter.
- 3-16 The Province, the federal government, the railways and the municipalities should develop the technical and financial means to more effectively protect or eliminate grade crossings in the Windsor-Quebec City Corridor at a rate that will ensure the early implementation of a high speed rail service.
- 3-17 The Province should seek appropriate up-grading of the Windsor-Quebec City Corridor, including attention to the roadbed, rolling stock, signalling, overhead structures, etc., in order to achieve high speed rail service.
- 3-19 The Task Force recommends that delays to passenger trains by freight trains in the corridor be eliminated by all possible means, such as more power on freight trains, rescheduling or diversion of freight trains, adding third track, signalling improvements, or dedicated passenger track.
- 3-20 The federal government should take appropriate steps to ensure that passenger trains be given legal track priority over freight trains.
- 3-38 Since railways have power to refuse passage over their lines, and do so, the Province should negotiate on behalf of rail enthusiast associations and others to have the railways allow chartered excursions over other than VIA-operated rail lines.
- 4-2 The Task Force recommends that the federal government ensure through regulation that railway company charges for government sponsored commuter services be limited to a level no higher than the



## RAILWAYS—(Cont.)

- railway's costs of providing that service.
- 4-3 The Task Force acknowledges that GO Transit should contribute its fair share of the cost of capital improvements, but recommends that the negotiations to determine both the extent of improvements required and the apportionment of costs between the railway and the transit authority be subject to some type of impartial arbitration procedure, with the CTC possibly playing the role of arbitrator.
  - 5-10 On the basis of these studies, abandoned rights-of-way which have a near term future railway use should be retained by the railways and all others should be transferred to the Province for a nominal sum.
  - 6-2 The Province should act on behalf of those resource industries that are adversely affected by high freight rates and poor railway service by monitoring the rates, assessing problems of rail service and attempting to influence change where required.
  - 6-3 The Province should explore the required legal steps to provide for the changes which would enable any railway company's cars to operate on any tracks through reciprocity arrangements. This would allow customers to be served with suitable equipment over the shortest possible journey.
  - 6-5 As part of the larger resource development effort, the Province should be prepared to invest in new railway infrastructure on a case-by-case basis.
  - 6-7 The Province should consider acquisition of the CN route from North Bay south to Toronto, which carries only moderate local traffic.
  - 6-8 The Task Force recommends that all common carrier railways be made eligible for any existing or future federal rail support programs, whether or not they fall under the jurisdiction of the Railway Act.
  - 7-2 The Task Force urges that the rail freight system continue to be modernized, with early consideration given to the development of lighter, higher speed freight trains, electrified where practical.
  - 7-3 The Task Force recommends that the Province be particularly vigilant about the reduction of freight service on branch lines.
  - 7-4 The Task Force believes that governments should foster technological and design developments, such as fully mechanized intermodal terminals with good highway access, through which truckers can be induced to utilize rail for the line haul.
  - 7-5 The Province should encourage the increased use of piggyback or container services by:
    - a) Providing loans or tax incentives as an inducement to the early construction of additional modern intermodal terminals;
    - b) Providing convenient and direct highway access to all intermodal terminals; and
    - c) Negotiating with railway and trucking officials to develop cooperative intermodal services for the mutual benefit of both operations and their customers.
  - 7-10 The Task Force recommends that the federal government amend the Railway Act to ensure that the railways become subject to the terms of the Combines Investigation Act, rather than being allowed to cooperate in the setting of freight rates.
  - 8-1 The Task Force recommends that the federal government amend existing legislation to ensure that railway company costing information now available to the Minister of Transport and Canadian Transport Commission is made freely accessible to appointed representatives of the provincial government sworn to secrecy. This should be available without the time-consuming requirement for application and justification through the Minister of Transport.
  - 8-2 The federal government should ensure, through appropriate regulations, that railway company charges to publicly-supported railway passenger services be restricted to a level no higher than that railway's cost of providing the service.
  - 9-1 There should be a strong federal government commitment to support and encourage a level of railway research and development at least proportional to the research and development share of the economy as a whole. Any discussion of railway research requirements and priorities must involve the full participation of the railway industry.

## RAILWAYS – (Cont.)

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| 9-5   | The Task Force recommends that railway research projects leading to greater fuel and operating efficiencies should be actively supported. These projects would include the development of more fuel-efficient engines and new rolling stock with significant reductions in tare weight.                         |
| 10-2  | The Province, the federal government and the railways should take specific and immediate measures to protect the electrification option.  |
| 10-3  | The Province should complete negotiations with the federal government to ensure adequate clearances on structures over rail lines which are likely candidates for electrification, including grade separations.   |
| 10-5  | The Province should join with the federal government in developing appropriate parameters and compatible standards for the necessary electrification works.   |
| 10-7  | The Province should work jointly with the federal government to examine the implications of simultaneous electrification of the Windsor-Quebec City Corridor.   |
| 10-8  | The Province and the federal government should encourage research and development and other preparations for Canadian industrial participation in future electrification plans.   |
| 11-1  | The Province should request that the federal government enable the CTC to assume full responsibility for the safety inspection and regulation of the railways rather than allow the continuation of the current practice of self-regulation by the railways.  |
| 11-2  | The CTC should be required to pursue all violations of its regulations committed by the railways as well as respond to all railway employee complaints concerning safety matters.   |
| 11-4  | The federal government should require the rerouting of dangerous goods rail traffic around population centres. Routes through cities should be avoided when alternative routes exist as is the case in the Toronto area.  |
| 11-5  | The federal government should require that dangerous goods be consolidated in special trains, which would operate within specific route, time and speed constraints.  |
| 11-6  | The federal government should require that cars containing dangerous goods should be segregated relative to their potential hazard while in both trains and switching yards. Limits should be put on the quantities of dangerous goods carried per train, except where special trains are utilized.             |
| 11-7  | If it is deemed necessary, the Province should obtain sufficient qualified resources to enforce complementary additional standards in rail transportation along with minimum federal standards for dangerous goods rail cars.   |
| 11-8  | The Task Force recommends that priority should be given to the upgrading of infrastructure, rolling stock, and control and operating systems in corridors where dangerous goods are transported by rail.  |
| 11-9  | The Task Force believes that it should be required practice for the railways to track both regular and special movements of highly toxic chemicals, fuels, etc., particularly through and near high population areas.   |
| 11-11 | The Task Force recommends that the railways should initiate monitoring programs and improve the current maintenance inspection program for both track and rolling stock to offset the damage caused by the increased loads carried by the rail system. Consideration should be given to lighter rail equipment. |
| 11-12 | The Task Force recommends that the railways should install additional safety monitoring devices such as hot box detectors along main lines and as well ensure that information from these detectors indicating faulty railway equipment is acted upon promptly.   |
| 11-13 | The Task Force recommends that the selective application of more modern control and signalling systems, along with improved communications technology, should be undertaken by the railways.  |

## RAILWAYS—(Cont.)

- 11-14 The Task Force recommends that the railways should improve training and management of rail personnel in order to reduce the number of employee-related rail accidents.
- 11-15 The Task Force recommends that an active research and development program directed towards railway safety should also be initiated to examine present infrastructure technology and the potential improvements in rail safety that are available through system innovations.
- 11-16 The Province should urge upon the federal government the importance of ensuring that safety procedures are installed and are working, from railway management down to train crews and other personnel.
- 11-17 The Task Force recommends the use of independent auditors to report on the adequacy of such systems and procedures.
- 11-18 The Task Force recommends that a federal-provincial committee should be created in order to define the respective roles and responsibilities in a contingency situation for governments as well as the railway companies, and passengers and shippers using rail services.
- 11-22 The Task Force recommends that a plan should be developed by the senior governments which would guarantee fuel availability for railway needs, should some form of crisis create a shortage of petroleum.
- 11-24 In order to clarify the respective role and responsibilities of the railways with respect to land use planning, the Province with federal cooperation, should develop a process that would ensure that the railways have regard for local land use plans and that there is a continual exchange of information between the railways and the municipalities.
- 11-25 The Province should initiate the development of impact standards with which railways will have to comply in their operations. To this end, the information base on the environmental impact of railways, particularly in the Ontario context, should be improved.
- 11-26 The Province's policy directions should specify:
- a) allowable limits for railway source nuisances;
  - b) abatement measures to achieve these allowed limits;
  - c) specific designation of railway lands in Official Plans;
  - d) recognition of railways as a component of the community;
  - e) recognition of community safety vis-a-vis railway operations;
  - f) legislated designation of routes for dangerous goods;
  - g) a formal mechanism for coordination and communication between governments and the railways on land use planning matters;
  - h) guidelines for design of rail-served industrial subdivisions.
- 11-29 In conjunction with the railways being made subject to provincial legislation, specifically The Planning Act, the Task Force recommends that the Province should ensure that the railways are not held solely responsible for any perceived negative impacts as a result of actions by municipalities or others under provincial control.
- 11-30 The Province should take a strong position in railway rationalization and relocation studies to ensure that provincial interests as well as local interests are protected.
- 11-31 The extent of provincial interest in railway rationalization or relocation studies will form the basis for provincial financial involvement in the studies.
- 12-3 The Task Force recommends that the federal government, through the crown-owned Canadian National Railways, has a further obligation to ensure that rail freight and passenger services in the national interest take precedence over purely 'profit' motivations. This principle has been well-established by several Commissions of Inquiry into the rail transportation system in Canada. It should not be watered-down or eliminated in future legislative or policy activities.
- 12-15 The Task Force recommends that VIA Rail should be given the flexibility to meet passenger rail service objectives as efficiently as possible. To this end, the Task Force recommends that the federal government prepare a VIA Rail Canada Act which would:
- a) define the role and mandate of VIA;
  - b) give VIA ownership or control of rolling stock, maintenance



## RAILWAYS – (Cont.)

- facilities, operating staff, and stations;
- c) give VIA freedom to use whichever rail lines are most appropriate to service requirements; and
- d) establish priority for passenger trains over freight trains.

12-20 The Task Force recommends that the Railway Act be amended to make the railways subject to all appropriate provincial legislation. This provincial legislation should include: The Environmental Assessment Act; The Planning Act; The Environmental Protection Act; The Business Corporations Act; and The Corporations Information Act (1976).

12-21 The railways should be made subject to the Combines Investigation Act, as recommended in Chapter VII.

12-22 The railways should adjust their operations to provide for shared use of trackage as recommended in Chapter II.

## VIA RAIL

2-1 The Task Force recommends that a planning standard initially of 125 mph be adopted for designated high speed passenger routes, progressive steps being taken towards this goal in revenue service as equipment permits.

3-2 The Task Force recommends that, in order to avoid the risk of further disenchantment of existing or new users of rail passenger services, VIA Rail should be encouraged by the province to support its rail promotion and marketing program with efforts to improve the level and quality of its current services.

3-3 The Province should influence the federal government to ensure that passenger rail fares reflect the true value of service provided and thereby ensure fair competition between the rail and bus modes.

3-7 The Province should actively encourage the restoration of strong passenger rail links with U.S. systems and cities. To this end, the Province should, in concert with the States of Michigan and New York, press for restoration of through running of passenger equipment between Ontario and U.S. destinations, and between New York and Michigan destinations serving Ontario points between.

3-8 The Province, in concert with neighbouring States, should undertake market surveys of the potential for increased rail traffic between Canada and the United States in order to develop the information needed to specify the most appropriate routes and schedules for discussion with VIA Rail and Amtrak.

3-9 The Province should negotiate with the federal government for the removal of any impediments to the en-route processing of transborder passengers. Passenger convenience and government administration problems could well be served through prior customs and immigration processing at originating points, as one example.

3-12 The Province should seek the attainment of higher effective speeds and more time reliable services to shorten travel time and improve punctuality as incentives for shifting a greater number of people to rail transportation, especially in this main corridor.

3-13 The Task Force recommends that the federal government verify that the LRC trainsets can be operated in regular corridor service at speeds up to 125 mph without inflicting unacceptable levels of damage to the track. In the event that these speeds cannot be sustained due to high locomotive wheel impacts, then the design of the LRC locomotive should be appropriately modified for high-speed corridor service.

3-14 The Task Force urges the federal government to proceed with development of specifications for new generation electrically powered high speed corridor trains.

3-15 The Province should actively participate in an investigation of high speed rail options in the Windsor-Quebec City Corridor. Rationalization of existing routes and consideration of exclusive rights-of-way are options worthy of study and have been discussed in the previous chapter.

3-18 The Province should actively negotiate coordination of train and bus services in the corridor, directed to achieving highest *combined* ridership on fair business terms.

3-20 The federal government should take appropriate steps to ensure that passenger trains be given legal track priority over freight trains.

## VIA RAIL—(Cont.)

- 3-22 The Province should act as broker-coordinator to ensure that multi-modal transport centres can be established by communities that require them.
- 3-23 The establishment of intermodal stations should be assisted by the Province through provision of technical and financial help in the preparation of plans for revitalization or resiting of rail stations. These plans should consolidate rail access with rural and intercity bus services, urban transit, airport transfer, rental car facilities, taxi headquarters, travel agents, restaurants and other services to the traveller.
- 3-24 In large cities it may be desirable to add suburban stations to afford easy access from outlying residential areas. The Province should encourage and assist in site selection and the provision of adequate parking facilities.
- 3-32 Training programs should be instituted by rail service operators in cooperation with appropriate agencies, to familiarize railway personnel with the needs of the disabled as well as to improve staff sensitivity toward those needs.
- 3-33 The Province of Ontario should endorse the commitments made by VIA Rail to include accessibility features for disabled persons in major vehicle and station renovations.
- 3-37 Since off-shore visitors are generally more accustomed to travel by rail and make up a large part of the potential Ontario tourist market, the Province should ensure that information on rail travel and rail travel packages is included in any promotional programs addressed to the off-shore market.
- 3-39 VIA should redefine its minimum fare policy so that it applies deterrent fares only to those sections of a route where overloading would occur with normal scale fares.
- 5-13 The Province should undertake a fact-finding reappraisal, concerning the need for rail passenger service in the Bruce area which might take the following form:
- (1) a 'once and for all' monitored experiment with a 'Budd' car, fares to be set at roughly half cost recovery; the remaining costs to be shared by the Province and the federal government;
  - (2) explore possible private operation of a selected line for passenger or shared passenger-freight use, along the lines of the New York State experience;
  - (3) involve VIA Rail, Transport Canada and the CTC in a passenger rail study, overlaying the results of the current Bruce freight network rationalization study.
- 6-6 The Task Force recommends that any negotiations between the Province and VIA Rail concerning responsibility for passenger service in the Northeast Corridor should be undertaken independent of other passenger rail services which are not functionally connected.
- 12-15 The Task Force recommends that VIA Rail should be given the flexibility to meet passenger rail service objectives as efficiently as possible. To this end, the Task Force recommends that the federal government prepare a VIA Rail Canada Act which would:
- a) define the role and mandate of VIA;
  - b) give VIA ownership or control of rolling stock, maintenance facilities, operating staff, and stations;
  - c) give VIA freedom to use whichever rail lines are most appropriate to service requirements; and
  - d) establish priority for passenger trains over freight trains.
- 12-16 The Task Force recommends that the federal government, in consultation with the Province, should provide VIA Rail with broad service objectives and criteria to be met within identified rail corridors. In this way, VIA would have a free hand to design, operate and promote passenger rail services as efficiently as possible within overall funding levels established by Transport Canada.
- 12-18 The Task Force recommends that a liaison committee be established between the Ministry of Transportation and Communications and VIA Rail as a mechanism to discuss and resolve operational issues of concern to the Province.
- 12-19 The Task Force recommends that appropriate federal legislation be drawn up or amended to enable VIA Rail to enter into contracts with the Province to provide provincially funded rail services as required.





## ONTARIO TASK FORCE ON PROVINCIAL RAIL POLICY

## TERMS OF REFERENCE

**Introduction**

There is a need to develop a Provincial perspective to rail transportation to ensure that the Government of Ontario implement in the 1980's a transportation plan which will provide for the needs of the Province as we prepare to enter the Twenty-First century. A number of critical issues will be facing the Province, such as the potential need to develop alternative energy sources with the knowledge that abundant electrical energy exists for transportation purposes in Ontario.

It is intended that an Ontario Rail Policy can assist in the development and be used as a basis for considering transportation system improvements. For the purposes of this study, the question of jurisdiction is seen to be secondary to the development of an Ontario rail transport policy tuned to the issues of the 1980's.

The Task Force's approach will therefore be extremely broad ensuring that all possible concepts for a Provincial rail transport policy are thoroughly explored. Within this context, both passenger and freight transport will be reviewed with concern for commuter rail, inter-city rail, and the improvement of track and other equipment.

**Task Force**

This study will take the form of a task force chaired by Margaret Scrivener, (MPP – St. David). It is recognized that two other rail-related reviews are being conducted by the Ministry of Transportation and Communications:

- a) the Review of the Roles and Responsibilities of the Toronto Area Transit Operating Authority
- b) the study looking at the potential for electrification of parts of the GO Transit service.

The Task Force will be considering appropriate information from these initiatives and other ongoing studies, some of which it will itself develop.

**Composition of Task Force**

The Task Force will include Deputy Ministers whose responsibilities are in line with the review, together with specialists possessing particular knowledge and experience. M.T.C. will provide full-time support staff, including a coordinator who will be working at the Task Force headquarters.

**Timing of the Task Force**

The immediate objective is to provide the Minister of Transportation and Communications with a written interim report within nine months. A final report will be prepared. Its conclusion and recommendations will also be directed to the Minister of Transportation and Communications.



# RAIL NETWORK

CANADIAN NATIONAL

CANADIAN PACIFIC

ALGOMA CENTRAL

ONTARIO NORTHLAND

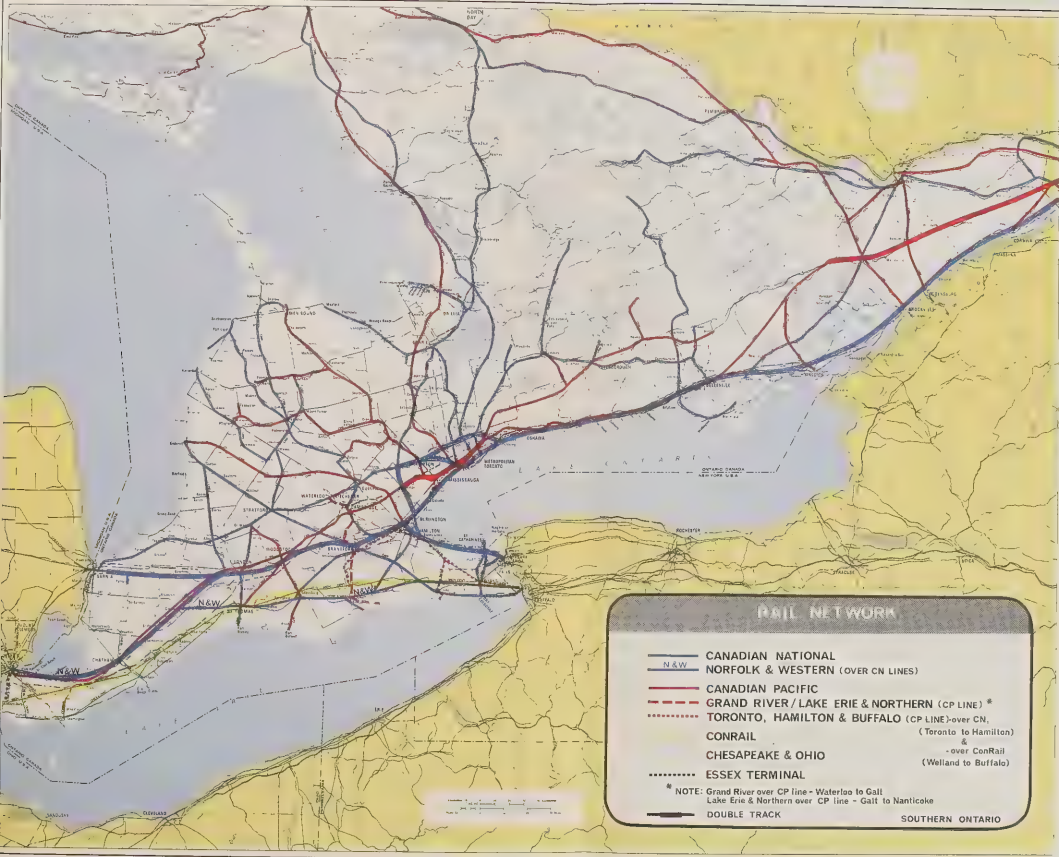
DOUBLE TRACK

NORTHERN ONTARIO









## RAIL NETWORK

- CANADIAN NATIONAL
- N & W NORFOLK & WESTERN (OVER CN LINES)
- CANADIAN PACIFIC
- - - GRAND RIVER / LAKE ERIE & NORTHERN (CP LINE) \*
- · · · · TORONTO, HAMILTON & BUFFALO (CP LINE)-over CN,  
(Toronto to Hamilton)  
CONRAIL  
&  
- over ConRail  
(Welland to Buffalo)
- · · · · CHESAPEAKE & OHIO
- · · · · ESSEX TERMINAL

\* NOTE: Grand River over CP line - Waterloo to Galt  
Lake Erie & Northern over CP line - Galt to Nanticoke

— DOUBLE TRACK

SOUTHERN ONTARIO













